

Second Quarter 2022 Results – SEC 10-Q

28 July 2022

Janus Henderson Group plc (ASX:JHG; 'Janus Henderson') today published its second quarter results for the period ended 30 June 2022.

A copy of the Group's full financial results in the form of a '10-Q', as prescribed by the Securities and Exchange Commission ('SEC'), is included below.

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Authorised by:

Michelle Rosenberg, Company Secretary

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About Janus Henderson

Janus Henderson Group is a leading global active asset manager dedicated to helping investors achieve long-term financial goals through a broad range of investment solutions, including equities, fixed income, multi-asset, and alternative asset class strategies.

At 30 June 2022, Janus Henderson had approximately US\$300 billion in assets under management, more than 2,000 employees, and offices in 23 cities worldwide. Headquartered in London, the company is listed on the NYSE and the ASX.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

for the transition period from to

Commission File Number 001-38103



JANUS HENDERSON GROUP PLC

(Exact name of registrant as specified in its charter)

Jersey, Channel Islands
(State or other jurisdiction of
incorporation or organization)
201 Bishopsgate
London, United Kingdom
(Address of principal executive offices)

98-1376360
(I.R.S. Employer
Identification No.)
EC2M3AE
(Zip Code)

+44 (0) 20 7818 1818

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$1.50 Per Share Par Value	JHG	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐ Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 25, 2022, there were 165,657,905 shares of the Company's common stock, \$1.50 par value per share, issued and outstanding.

PART I — FINANCIAL INFORMATION
Item 1. Financial Statements

JANUS HENDERSON GROUP PLC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(U.S. Dollars in Millions, Except Share Data)

	June 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 863.1	\$ 1,107.3
Investment securities	250.2	451.4
Fees and other receivables	293.5	351.6
OEIC and unit trust receivables	150.4	84.4
Assets of consolidated VIEs:		
Cash and cash equivalents	10.6	11.3
Investment securities	1,066.9	250.9
Other current assets	15.8	2.1
Other current assets	138.1	150.2
Total current assets	2,788.6	2,409.2
Non-current assets:		
Property, equipment and software, net	52.6	63.3
Intangible assets, net	2,455.7	2,542.7
Goodwill	1,259.7	1,374.3
Retirement benefit asset, net	147.8	165.1
Other non-current assets	195.2	172.9
Total assets	<u>\$ 6,899.6</u>	<u>\$ 6,727.5</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 222.7	\$ 271.6
Current portion of accrued compensation, benefits and staff costs	180.2	420.0
OEIC and unit trust payables	157.1	92.2
Liabilities of consolidated VIEs:		
Accounts payable and accrued liabilities	14.6	2.6
Total current liabilities	574.6	786.4
Non-current liabilities:		
Accrued compensation, benefits and staff costs	29.6	45.7
Long-term debt	308.9	310.4
Deferred tax liabilities, net	606.2	619.2
Retirement benefit obligations, net	4.2	4.8
Other non-current liabilities	107.0	134.4
Total liabilities	1,630.5	1,900.9
Commitments and contingencies (See Note 15)		
REDEEMABLE NONCONTROLLING INTERESTS		
	921.1	163.4
EQUITY		
Common stock, \$1.50 par value; 480,000,000 shares authorized, and 165,657,905 and 169,046,154 shares issued and outstanding as of June 30, 2022, and December 31, 2021, respectively	248.5	253.6
Additional paid-in-capital	3,673.6	3,771.8
Treasury shares, 120,751 and 1,133,934 shares held at June 30, 2022, and December 31, 2021, respectively	(5.9)	(55.1)
Accumulated other comprehensive loss, net of tax	(595.0)	(396.1)
Retained earnings	1,024.0	1,073.6
Total shareholders' equity	4,345.2	4,647.8
Nonredeemable noncontrolling interests	2.8	15.4
Total equity	4,348.0	4,663.2
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 6,899.6</u>	<u>\$ 6,727.5</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS HENDERSON GROUP PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(U.S. Dollars in Millions, Except per Share Data)

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenue:				
Management fees	\$ 453.6	\$ 544.1	\$ 967.6	\$ 1,059.0
Performance fees	(3.4)	77.4	(11.8)	94.4
Shareowner servicing fees	56.3	64.0	118.7	124.8
Other revenue	49.0	52.9	101.0	104.2
Total revenue	555.5	738.4	1,175.5	1,382.4
Operating expenses:				
Employee compensation and benefits	145.0	192.4	309.6	367.0
Long-term incentive plans	40.7	49.8	92.1	103.3
Distribution expenses	127.8	134.8	269.6	262.2
Investment administration	10.3	13.1	25.1	25.7
Marketing	7.8	6.7	15.2	12.9
General, administrative and occupancy	72.3	65.7	145.4	128.7
Impairment of goodwill and intangible assets	-	40.8	32.8	44.4
Depreciation and amortization	7.7	10.1	17.2	20.7
Total operating expenses	411.6	513.4	907.0	964.9
Operating income	143.9	225.0	268.5	417.5
Interest expense	(3.2)	(3.2)	(6.4)	(6.4)
Investment gains (losses), net	(109.4)	1.8	(141.6)	3.4
Other non-operating expenses, net	(1.7)	(2.7)	(9.5)	(2.8)
Income before taxes	29.6	220.9	111.0	411.7
Income tax provision	(36.7)	(79.7)	(59.5)	(122.8)
Net income (loss)	(7.1)	141.2	51.5	288.9
Net loss (income) attributable to noncontrolling interests	101.0	(3.9)	121.1	3.9
Net income attributable to JHG	<u>\$ 93.9</u>	<u>\$ 137.3</u>	<u>\$ 172.6</u>	<u>\$ 292.8</u>
Earnings per share attributable to JHG common shareholders:				
Basic	\$ 0.56	\$ 0.80	\$ 1.03	\$ 1.68
Diluted	\$ 0.56	\$ 0.79	\$ 1.03	\$ 1.67
Other comprehensive income (loss), net of tax:				
Foreign currency translation gains (losses)	\$ (175.5)	\$ 3.2	\$ (222.5)	\$ 6.5
Actuarial gains	0.1	0.2	0.2	0.3
Other comprehensive income (loss), net of tax	(175.4)	3.4	(222.3)	6.8
Other comprehensive income (loss) attributable to noncontrolling interests	23.6	(0.2)	23.4	(1.0)
Other comprehensive income (loss) attributable to JHG	<u>\$ (151.8)</u>	<u>\$ 3.2</u>	<u>\$ (198.9)</u>	<u>\$ 5.8</u>
Total comprehensive income (loss)	\$ (182.5)	\$ 144.6	\$ (170.8)	\$ 295.7
Total comprehensive loss (income) attributable to noncontrolling interests	124.6	(4.1)	144.5	2.9
Total comprehensive income (loss) attributable to JHG	<u>\$ (57.9)</u>	<u>\$ 140.5</u>	<u>\$ (26.3)</u>	<u>\$ 298.6</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS HENDERSON GROUP PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(U.S. Dollars in Millions)

	Six months ended	
	June 30,	
	2022	2021
CASH FLOWS PROVIDED BY (USED FOR):		
Operating activities:		
Net income	\$ 51.5	\$ 288.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17.2	20.7
Impairment of goodwill and intangible assets	32.8	44.4
Deferred income taxes	0.4	22.8
Stock-based compensation plan expense	45.8	34.7
Loss on sale of Intech	9.1	-
Investment gains (losses), net	141.6	(3.4)
Contributions to pension plans in excess of costs recognized	0.2	(0.5)
Other, net	9.6	(5.9)
Changes in operating assets and liabilities:		
OEIC and unit trust receivables and payables	(1.1)	(2.9)
Other assets	25.5	(33.5)
Other accruals and liabilities	(227.2)	(70.5)
Net operating activities	105.4	294.8
Investing activities:		
Sales (purchases) of:		
Investment securities, net	3.7	(1.5)
Property, equipment and software	(7.5)	(1.1)
Investment securities by consolidated seeded investment products, net	24.6	(37.5)
Cash received (paid) on settled seed capital hedges, net	44.9	(8.0)
Dividends received from equity-method investments	0.5	1.1
JHG long-term note with Intech	(12.0)	-
Proceeds from sale of Intech	5.0	-
Receipt of contingent consideration payments from sale of subsidiaries	-	4.1
Net investing activities	59.2	(42.9)
Financing activities:		
Proceeds from stock-based compensation plans	2.2	5.5
Purchase of common stock for stock-based compensation plans	(97.0)	(72.0)
Purchase of common stock from Dai-ichi Life and share buyback program	(98.9)	(230.2)
Dividends paid to shareholders	(129.8)	(126.7)
Distributions to noncontrolling interests	(1.0)	(0.3)
Third-party sales (purchases) in consolidated seeded investment products, net	(25.4)	39.5
Principal payments under capital lease obligations	(0.8)	(0.3)
Net financing activities	(350.7)	(384.5)
Cash and cash equivalents:		
Effect of foreign exchange rate changes	(58.8)	1.8
Net change	(244.9)	(130.8)
At beginning of period	1,118.6	1,108.1
At end of period	\$ 873.7	\$ 977.3
Supplemental cash flow information:		
Cash paid for interest	\$ 7.3	\$ 7.3
Cash paid for income taxes, net of refunds	\$ 92.8	\$ 113.1
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 863.1	\$ 966.9
Cash and cash equivalents held in consolidated VIEs	10.6	10.4
Total cash and cash equivalents	\$ 873.7	\$ 977.3

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS HENDERSON GROUP PLC

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Amounts in Millions)

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Three months ended June 30, 2022								
Balance at April 1, 2022	167.8	\$ 251.7	\$ 3,684.9	\$ (40.3)	\$ (443.2)	\$ 1,048.0	\$ 2.8	\$ 4,503.9
Net income	—	—	—	—	—	93.9	—	93.9
Other comprehensive loss	—	—	—	—	(151.8)	—	—	(151.8)
Dividends paid to shareholders (\$0.39 per share)	—	—	—	—	—	(65.5)	—	(65.5)
Purchase of common stock for share buyback program	(2.1)	(3.2)	—	—	—	(52.4)	—	(55.6)
Purchase of common stock for stock-based compensation plans	—	—	(2.3)	(0.2)	—	—	—	(2.5)
Vesting of stock-based compensation plans	—	—	(34.6)	34.6	—	—	—	—
Stock-based compensation plan expense	—	—	23.9	—	—	—	—	23.9
Proceeds from stock-based compensation plans	—	—	1.7	—	—	—	—	1.7
Balance at June 30, 2022	<u>165.7</u>	<u>\$ 248.5</u>	<u>\$ 3,673.6</u>	<u>\$ (5.9)</u>	<u>\$ (595.0)</u>	<u>\$ 1,024.0</u>	<u>\$ 2.8</u>	<u>\$ 4,348.0</u>

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Three months ended June 30, 2021								
Balance at April 1, 2021	172.3	\$ 258.5	\$ 3,769.0	\$ (104.4)	\$ (321.4)	\$ 937.7	\$ 15.8	\$ 4,555.2
Net income	—	—	—	—	—	137.3	—	137.3
Other comprehensive income	—	—	—	—	3.2	—	—	3.2
Dividends paid to shareholders (\$0.38 per share)	—	—	0.1	—	—	(65.1)	—	(65.0)
Distributions to noncontrolling interests	—	—	—	—	—	—	(0.2)	(0.2)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	(0.2)	—	(0.2)
Purchase of common stock for stock-based compensation plans	—	—	(10.2)	(0.3)	—	—	—	(10.5)
Vesting of stock-based compensation plans	—	—	(37.1)	37.1	—	—	—	—
Stock-based compensation plan expense	—	—	17.1	—	—	—	—	17.1
Proceeds from stock-based compensation plans	—	—	4.7	—	—	—	—	4.7
Balance at June 30, 2021	<u>172.3</u>	<u>\$ 258.5</u>	<u>\$ 3,743.6</u>	<u>\$ (67.6)</u>	<u>\$ (318.2)</u>	<u>\$ 1,009.7</u>	<u>\$ 15.6</u>	<u>\$ 4,641.6</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS HENDERSON GROUP PLC

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Amounts in Millions)

	Number of shares	Common stock	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Nonredeemable noncontrolling interests	Total equity
Six months ended June 30, 2022								
Balance at January 1, 2022	169.0	\$ 253.6	\$ 3,771.8	\$ (55.1)	\$ (396.1)	\$ 1,073.6	\$ 15.4	\$ 4,663.2
Net income	—	—	—	—	—	172.6	—	172.6
Other comprehensive loss	—	—	—	—	(198.9)	—	—	(198.9)
Dividends paid to shareholders (\$0.77 per share)	—	—	—	—	—	(129.8)	—	(129.8)
Purchase of common stock from share buyback program	(3.3)	(5.1)	—	—	—	(93.8)	—	(98.9)
Distributions to noncontrolling interests	—	—	—	—	—	—	(1.0)	(1.0)
Sale of Intech	—	—	—	—	—	—	(11.6)	(11.6)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	1.4	—	1.4
Purchase of common stock for stock-based compensation plans	—	—	(96.4)	(0.6)	—	—	—	(97.0)
Vesting of stock-based compensation plans	—	—	(49.8)	49.8	—	—	—	—
Stock-based compensation plan expense	—	—	45.8	—	—	—	—	45.8
Proceeds from stock-based compensation plans	—	—	2.2	—	—	—	—	2.2
Balance at June 30, 2022	<u>165.7</u>	<u>\$ 248.5</u>	<u>\$ 3,673.6</u>	<u>\$ (5.9)</u>	<u>\$ (595.0)</u>	<u>\$ 1,024.0</u>	<u>\$ 2.8</u>	<u>\$ 4,348.0</u>
Six months ended June 30, 2021								
Balance at January 1, 2021	180.4	\$ 270.6	\$ 3,815.0	\$ (107.3)	\$ (324.0)	\$ 1,062.1	\$ 17.4	\$ 4,733.8
Net income	—	—	—	—	—	292.8	(1.5)	291.3
Other comprehensive income	—	—	—	—	5.8	—	—	5.8
Dividends paid to shareholders (\$0.74 per share)	—	—	0.1	—	—	(126.8)	—	(126.7)
Purchase of common stock from Dai-ichi Life and share buyback program	(8.1)	(12.1)	—	—	—	(218.1)	—	(230.2)
Distributions to noncontrolling interests	—	—	—	—	—	—	(0.3)	(0.3)
Fair value adjustments to redeemable noncontrolling interests	—	—	—	—	—	(0.3)	—	(0.3)
Purchase of common stock for stock-based compensation plans	—	—	(71.4)	(0.6)	—	—	—	(72.0)
Vesting of stock-based compensation plans	—	—	(40.3)	40.3	—	—	—	—
Stock-based compensation plan expense	—	—	34.7	—	—	—	—	34.7
Proceeds from stock-based compensation plans	—	—	5.5	—	—	—	—	5.5
Balance at June 30, 2021	<u>172.3</u>	<u>\$ 258.5</u>	<u>\$ 3,743.6</u>	<u>\$ (67.6)</u>	<u>\$ (318.2)</u>	<u>\$ 1,009.7</u>	<u>\$ 15.6</u>	<u>\$ 4,641.6</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

JANUS HENDERSON GROUP PLC

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Note 1 — Basis of Presentation and Significant Accounting Policies

Basis of Presentation

In the opinion of management of Janus Henderson Group plc (“JHG,” “the Company,” “we,” “us,” “our” and similar terms), the accompanying unaudited condensed consolidated financial statements contain all normal recurring adjustments necessary to fairly state our financial position, results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Such financial statements have been prepared in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP are not required for interim reporting purposes and have been condensed or omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the annual consolidated financial statements and notes presented in our Annual Report on Form 10-K for the year ended December 31, 2021. Events subsequent to the balance sheet date have been evaluated for inclusion in the accompanying financial statements through the issuance date.

Note 2 — Dispositions

On February 3, 2022, we announced the strategic decision to sell our 97%-owned Quantitative Equities subsidiary, Intech Investment Management LLC (“Intech”), to a consortium composed of Intech management and certain Intech non-executive directors (“Management Buyout”). The Management Buyout is expected to enable both organizations to refocus on their key value propositions: Janus Henderson on providing active, fundamental investing, and Intech on delivering quantitative investment solutions for institutional investors.

On March 31, 2022, the Management Buyout closed and we recognized a \$9.1 million loss on disposal of Intech. The loss is recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. Consideration received as part of the Management Buyout included cash proceeds of \$14.9 million (\$9.9 million will be collected in the third quarter 2022); contingent consideration of up to \$17.5 million, which is based on future Intech revenue; and an option agreement with a fair value of \$3.9 million that provides JHG the option to purchase a certain equity stake in Intech at a predetermined price on or before the seventh anniversary of the Management Buyout.

The terms of the transaction also included a \$20.0 million seven-year term note subject to two tranches. The first tranche of \$10.0 million was paid to Intech at closing while the second tranche of \$10.0 million is available to Intech, subject to certain restrictions. In the second quarter of 2022, Intech borrowed an additional \$2.0 million from the second tranche of the term note. With the additional borrowing, the outstanding principle on the note receivable was \$12.0 million payable from Intech as of June 30, 2022. The first tranche of the term note pays interest at 5.5%, while the second tranche pays interest at 6.0%.

JHG and Intech entered into a transition services agreement that provides for continuation of support services to help ensure a seamless transition in operations and continuity in serving Intech’s clients.

Note 3 — Consolidation

Variable Interest Entities

Consolidated Variable Interest Entities

Our consolidated variable interest entities (“VIEs”) as of June 30, 2022, and December 31, 2021, include certain consolidated seeded investment products in which we have an investment and act as the investment manager. Third-party assets held in consolidated VIEs are not available to us or to our creditors. We may not, under any circumstances,

access third-party assets held by consolidated VIEs to use in our operating activities or otherwise. In addition, the investors in these consolidated VIEs have no recourse to the credit of JHG.

As of June 30, 2022, our ownership percentage in a certain seeded investment product was greater than our VIE consolidation threshold, resulting in the consolidation of the fund, and is the primary driver of the significant increase in our consolidated VIE investment securities balance.

Unconsolidated Variable Interest Entities

The following table presents the carrying value of investment securities included on our Condensed Consolidated Balance Sheets pertaining to unconsolidated VIEs (in millions):

	June 30, 2022	December 31, 2021
Unconsolidated VIEs	\$ 1.6	\$ 102.7

Our total exposure to unconsolidated VIEs represents the value of our economic ownership interest in the investment securities.

Voting Rights Entities

Consolidated Voting Rights Entities

The following table presents the balances related to consolidated voting rights entities ("VREs") that were recorded on our Condensed Consolidated Balance Sheets, including our net interest in these products (in millions):

	June 30, 2022	December 31, 2021
Investment securities	\$ 178.1	\$ 179.6
Cash and cash equivalents	15.5	1.3
Other current assets	2.4	0.7
Accounts payable and accrued liabilities	(1.9)	(1.2)
Total	\$ 194.1	\$ 180.4
Redeemable noncontrolling interests in consolidated VREs	(29.5)	(17.5)
JHG's net interest in consolidated VREs	\$ 164.6	\$ 162.9

Third-party assets held in consolidated VREs are not available to us or to our creditors. We may not, under any circumstances, access third-party assets held by consolidated VREs to use in our operating activities or otherwise. In addition, the investors in these consolidated VREs have no recourse to the credit of JHG.

Our total exposure to consolidated VREs represents the value of our economic ownership interest in these seeded investment products.

Unconsolidated Voting Rights Entities

The following table presents the carrying value of investment securities included on our Condensed Consolidated Balance Sheets pertaining to unconsolidated VREs (in millions):

	June 30, 2022	December 31, 2021
Unconsolidated VREs	\$ 13.9	\$ 56.6

Our total exposure to unconsolidated VREs represents the value of our economic ownership interest in the investment securities.

Note 4 — Investment Securities

Our investment securities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	June 30, 2022	December 31, 2021
Seeded investment products:		
Consolidated VIEs	\$ 1,066.9	\$ 250.9
Consolidated VREs	178.1	179.6
Unconsolidated VIEs and VREs	15.5	159.3
Separate accounts	25.8	56.7
Pooled investment funds	—	0.1
Total seeded investment products	1,286.3	646.6
Investments related to deferred compensation plans	19.4	50.3
Other investments	11.4	5.4
Total investment securities	<u>\$ 1,317.1</u>	<u>\$ 702.3</u>

Trading Securities

Net unrealized gains (losses) on investment securities, gross of noncontrolling interests, held as of the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Unrealized gains (losses) on investment securities held at period end	<u>\$ (109.4)</u>	<u>\$ 1.8</u>	<u>\$ (141.6)</u>	<u>\$ 3.4</u>

Investment Gains (Losses), Net

Investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income included the following for the three and six months ended June 30, 2022 and 2021 (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Seeded investment products and hedges, net	\$ (6.7)	\$ (2.6)	\$ (18.2)	\$ 3.0
Third-party ownership interests in seeded investment products	(101.0)	3.9	(121.1)	(4.1)
Long Tail Alpha investment	0.2	(0.2)	1.7	1.9
Deferred equity plan	(0.5)	0.2	(2.0)	2.1
Other	(1.4)	0.5	(2.0)	0.5
Investment gains (losses), net	<u>\$ (109.4)</u>	<u>\$ 1.8</u>	<u>\$ (141.6)</u>	<u>\$ 3.4</u>

Gains and losses attributable to third-party ownership interests in seeded investment products are noncontrolling interests and are not included in net income attributable to JHG.

Cash Flows

Cash flows related to investment securities for the six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Six months ended June 30,			
	2022		2021	
	Purchases and settlements	Sales, settlements and maturities	Purchases and settlements	Sales, settlements and maturities
Investment securities by consolidated seeded investment products	\$ (8.5)	\$ 33.1	\$ (45.4)	\$ 7.9
Investment securities	(40.5)	44.2	(101.6)	100.1

Note 5 — Derivative Instruments

Derivative Instruments Used to Hedge Seeded Investment Products

We maintain an economic hedge program that uses derivative instruments to mitigate against market volatility of certain seeded investments by using index and commodity futures (“futures”), index swaps, total return swaps, and credit default swaps. Foreign currency exposures associated with our seeded investment products are also hedged by using foreign currency forward contracts and swaps.

We were party to the following derivative instruments as of June 30, 2022, and December 31, 2021 (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Futures	\$ 197.4	\$ 368.7
Credit default swaps	126.2	207.2
Total return swaps	48.1	55.0
Foreign currency forward contracts and swaps	207.2	415.6

The derivative instruments are not designated as hedges for accounting purposes. Changes in fair value of the derivatives are recognized in investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income. The change in fair value of the derivative instruments for the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Futures	\$ 21.6	\$ (8.6)	\$ 37.0	\$ 10.1
Credit default swaps	3.3	(1.1)	5.6	1.1
Total return swaps	28.8	(5.7)	36.2	8.6
Foreign currency forward contracts and swaps	(2.5)	—	(9.5)	(6.1)
Total gains (losses) from derivative instruments	\$ 51.2	\$ (15.4)	\$ 69.3	\$ 13.7

Derivative assets and liabilities are generally recognized on a gross basis and included in other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 16.4	\$ 8.8
Derivative liabilities	2.2	15.5

In addition to using derivative instruments to mitigate against market volatility of certain seeded investments, we also engage in short sales of securities to hedge seed investments. As of June 30, 2022, and December 31, 2021, the fair value of securities sold but not yet purchased was \$0.5 million and \$3.1 million, respectively. The cash received from the short sale and the obligation to repurchase the shares are classified in other current assets and accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets, respectively. Fair value adjustments are recognized in investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income.

Derivative Instruments in Consolidated Seeded Investment Products

Certain of our consolidated seeded investment products utilize derivative instruments to contribute to the achievement of defined investment objectives. These derivative instruments are classified within other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. Gains and losses on these derivative instruments are classified within investment gains (losses), net on our Condensed Consolidated Statements of Comprehensive Income.

Our consolidated seeded investment products were party to the following derivative instruments as of June 30, 2022, and December 31, 2021 (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Futures	\$ 70.5	\$ 190.1
Credit default swaps	3.2	6.1
Total return swaps	6.4	—
Options	0.1	0.1
Foreign currency forward contracts and swaps	232.2	22.1

The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 0.8	\$ 0.6
Derivative liabilities	0.4	0.4

Derivative Instruments — Used in Foreign Currency Hedging Program

We maintain a balance sheet foreign currency hedging program (the “Program”) to take reasonable measures to minimize the income statement effects of foreign currency remeasurement of monetary balance sheet accounts. The Program utilizes foreign currency forward contracts and swaps to achieve its objectives, and it is considered an economic hedge for accounting purposes.

The notional value of the foreign currency forward contracts and swaps as of June 30, 2022, and December 31, 2021, is summarized as follows (in millions):

	Notional value	
	June 30, 2022	December 31, 2021
Foreign currency forward contracts and swaps	\$ 62.0	\$ 171.4

The derivative assets and liabilities are generally recognized on a gross basis and included in other current assets or in accounts payable and accrued liabilities on our Condensed Consolidated Balance Sheets. The derivative assets and liabilities as of June 30, 2022, and December 31, 2021, are summarized as follows (in millions):

	Fair value	
	June 30, 2022	December 31, 2021
Derivative assets	\$ 0.1	\$ 3.2
Derivative liabilities	0.2	—

Changes in fair value of the derivatives are recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. Foreign currency remeasurement is also recognized in other non-operating expenses, net on our Condensed Consolidated Statements of Comprehensive Income. The change in fair value of the foreign currency forward contracts and swaps for the three and six months ended June 30, 2022 and 2021, are summarized as follows (in millions):

	Three months ended		Six months ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Gains (losses) on foreign currency forward contracts and swaps	\$ (0.3)	\$ 0.7	\$ (2.4)	\$ 1.3

Note 6 — Fair Value Measurements

The following table presents assets and liabilities reflected in the financial statements or disclosed in the notes to the financial statements at fair value on a recurring basis as of June 30, 2022 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	\$ 420.3	\$ —	\$ —	\$ 420.3
Investment securities:				
Consolidated VIEs	1,039.4	22.7	4.8	1,066.9
Other investment securities	199.1	50.8	0.3	250.2
Total investment securities	1,238.5	73.5	5.1	1,317.1
Seed hedge derivatives	—	16.4	—	16.4
Derivatives in consolidated seeded investment products	—	0.8	—	0.8
Derivatives used in foreign currency hedging program	—	0.1	—	0.1
Intech option agreement	—	—	3.1	3.1
Intech contingent consideration	—	—	12.3	12.3
Volantis contingent consideration	—	—	0.6	0.6
Total assets	\$ 1,658.8	\$ 90.8	\$ 21.1	\$ 1,770.7
Liabilities:				
Derivatives in consolidated seeded investment products	\$ —	\$ 0.4	\$ —	\$ 0.4
Derivatives used in foreign currency hedging program	—	0.2	—	0.2
Securities sold, not yet purchased	0.5	—	—	0.5
Seed hedge derivatives	—	2.2	—	2.2
Long-term debt ⁽¹⁾	—	302.3	—	302.3
Deferred bonuses	—	—	27.6	27.6
Total liabilities	\$ 0.5	\$ 305.1	\$ 27.6	\$ 333.2

(1) Carried at amortized cost and disclosed at fair value.

The following table presents assets and liabilities reflected in the financial statements or disclosed in the notes to the financial statements at fair value on a recurring basis as of December 31, 2021 (in millions):

	Fair value measurements using:			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets:				
Cash equivalents	\$ 585.4	\$ —	\$ —	\$ 585.4
Investment securities:				
Consolidated VIEs	216.8	26.2	7.9	250.9
Other investment securities	424.1	27.3	—	451.4
Total investment securities	640.9	53.5	7.9	702.3
Seed hedge derivatives	—	8.8	—	8.8
Derivatives in consolidated seeded investment products	—	0.6	—	0.6
Derivatives used in foreign currency hedging program	—	3.2	—	3.2
Volantis contingent consideration	—	—	0.9	0.9
Total assets	\$ 1,226.3	\$ 66.1	\$ 8.8	\$ 1,301.2
Liabilities:				
Derivatives in consolidated seeded investment products	\$ —	\$ 0.4	\$ —	\$ 0.4
Securities sold, not yet purchased	3.1	—	—	3.1
Seed hedge derivatives	—	15.5	—	15.5
Long-term debt ⁽¹⁾	—	328.7	—	328.7
Deferred bonuses	—	—	50.5	50.5
Total liabilities	\$ 3.1	\$ 344.6	\$ 50.5	\$ 398.2

(1) Carried at amortized cost and disclosed at fair value.

Level 1 Fair Value Measurements

Our Level 1 fair value measurements consist mostly of investments held by seeded investment products, investments in advised mutual funds, cash equivalents, securities sold, not yet purchased, and investments related to deferred compensation plans with quoted market prices in active markets. The fair value level of consolidated investments held by seeded investment products is determined by the underlying securities of the product. The fair value level of unconsolidated investments held in seeded investment products is determined by the net asset value (“NAV”), which is considered a quoted price in an active market.

Level 2 Fair Value Measurements

Our Level 2 fair value measurements consist mostly of consolidated seeded investment products, derivative instruments, and our long-term debt. The fair value of consolidated seeded investment products is determined by the underlying securities of the product. The fair value of our long-term debt is determined using broker quotes and recent trading activity, which are considered Level 2 inputs.

Level 3 Fair Value Measurements

Investment Securities

As of June 30, 2022, and December 31, 2021, certain securities within consolidated VIEs were valued using significant unobservable inputs, resulting in Level 3 classification.

Intech Option Agreement and Contingent Consideration

On March 31, 2022, we completed the sale of Intech. Consideration received as part of the Management Buyout included contingent consideration of up to \$17.5 million and an option agreement that provides JHG the option to purchase a certain equity stake in Intech at a predetermined price on or before the seventh anniversary of the Management Buyout.

As of June 30, 2022, the fair value of the option agreement and of the Intech contingent consideration was \$3.1 million and \$12.3 million, respectively. Significant unobservable inputs were used to value the call option and contingent consideration, including revenue estimates, discount rate, and volatility.

Deferred Bonuses

Deferred bonuses represent liabilities to employees over the vesting period that will be settled by investments in our products. The significant unobservable inputs used to value the liabilities are investment designations and vesting periods.

Changes in Fair Value

Changes in fair value of our Level 3 assets for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Beginning of period fair value	\$ 23.2	\$ 27.2	\$ 8.8	\$ 31.4
Intech option agreement	(0.8)	—	3.1	—
Contingent consideration from sale of Intech	(0.3)	—	12.3	—
Settlement of contingent consideration	—	(1.8)	—	(4.0)
Fair value adjustments	(0.3)	1.4	(1.8)	(2.5)
Transfers from Level 1	0.5	—	0.5	—
Transfers to Level 1	(2.1)	—	(2.1)	—
Purchases of securities	1.2	0.4	1.0	2.7
Sales of securities	—	(0.7)	(0.3)	(1.1)
Foreign currency translation	(0.3)	—	(0.4)	—
End of period fair value	<u>\$ 21.1</u>	<u>\$ 26.5</u>	<u>\$ 21.1</u>	<u>\$ 26.5</u>

Changes in fair value of our individual Level 3 liabilities for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	Deferred bonuses	Deferred bonuses	Deferred bonuses	Deferred bonuses
Beginning of period fair value	\$ 34.3	\$ 73.6	\$ 50.5	\$ 65.2
Fair value adjustments	(1.0)	2.0	(2.6)	4.3
Vesting of deferred bonuses	(14.4)	(48.2)	(36.0)	(50.7)
Amortization of deferred bonuses	10.8	8.1	19.2	16.1
Foreign currency translation	(2.1)	0.1	(3.5)	0.7
End of period fair value	\$ 27.6	\$ 35.6	\$ 27.6	\$ 35.6

Nonrecurring Fair Value Measurements

Nonrecurring Level 3 fair value measurements include goodwill and intangible assets. We measure the fair value of goodwill and intangible assets on initial recognition using discounted cash flow ("DCF") analysis that requires assumptions regarding projected future earnings and discount rates. Because of the significance of the unobservable inputs in the fair value measurements of these assets, such measurements are classified as Level 3.

Note 7 — Goodwill and Intangible Assets

The following tables present movements in our intangible assets and goodwill during the six months ended June 30, 2022 and 2021 (in millions):

	December 31, 2021	Amortization	Disposal	Impairment	Foreign currency translation	June 30, 2022
Indefinite-lived intangible assets:						
Investment management agreements	\$ 2,114.8	\$ —	\$ —	\$ —	\$ (38.6)	\$ 2,076.2
Trademarks	366.7	—	(4.7)	—	—	362.0
Definite-lived intangible assets:						
Client relationships	168.4	—	(84.8)	—	(6.0)	77.6
Accumulated amortization	(107.2)	(2.6)	44.7	—	5.0	(60.1)
Net intangible assets	\$ 2,542.7	\$ (2.6)	\$ (44.8)	\$ —	\$ (39.6)	\$ 2,455.7
Goodwill	\$ 1,374.3	\$ —	\$ (7.0)	\$ (32.8)	\$ (74.8)	\$ 1,259.7

	December 31, 2020	Amortization	Disposal	Impairment	Foreign currency translation	June 30, 2021
Indefinite-lived intangible assets:						
Investment management agreements	\$ 2,242.9	\$ —	\$ —	\$ (40.8)	\$ (0.1)	\$ 2,202.0
Trademarks	373.2	—	—	(3.6)	—	369.6
Definite-lived intangible assets:						
Client relationships	170.9	—	—	—	(0.6)	170.3
Accumulated amortization	(100.7)	(3.9)	—	—	—	(104.6)
Net intangible assets	\$ 2,686.3	\$ (3.9)	\$ —	\$ (44.4)	\$ (0.7)	\$ 2,637.3
Goodwill	\$ 1,383.9	\$ —	\$ —	\$ —	\$ 6.0	\$ 1,389.9

Management Buyout of Intech

As detailed in Note 2 — Dispositions, on March 31, 2022, the Management Buyout of Intech closed. As part of this disposition, we removed \$4.7 million and \$40.1 million of trademarks and client relationships, respectively, from our Condensed Consolidated Balance Sheets as these intangible assets were directly connected to Intech. In addition, we also allocated a certain amount of goodwill to Intech, which was also removed from our Condensed Consolidated Balance Sheets as part of the Management Buyout.

Out-of-Period Incremental Goodwill Impairment

In the first quarter 2020, due to the sudden decline of the global financial markets impacting our assets under management (“AUM”), we recognized a \$123.5 million goodwill impairment expense. Subsequent to the first quarter 2020, we identified a \$32.8 million error in which we did not consider the incremental impairment charge related to the tax-deductible goodwill. We have corrected this error in the first quarter 2022 as an out-of-period adjustment, which is reflected in the table above and recorded in goodwill and intangible asset impairment charges on our Condensed Consolidated Statements of Comprehensive Income.

Future Amortization

Expected future amortization expense related to client relationships is summarized below (in millions):

Future amortization	Amount
2022 (remainder of year)	\$ 1.3
2023	2.3
2024	1.0
2025	1.0
2026	1.0
Thereafter	10.9
Total	\$ 17.5

Note 8 — Debt

Our debt as of June 30, 2022, and December 31, 2021, consisted of the following (in millions):

	June 30, 2022		December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
4.875% Senior Notes due 2025	\$ 308.9	\$ 302.3	\$ 310.4	\$ 328.7

4.875% Senior Notes Due 2025

The 4.875% Senior Notes due 2025 (“2025 Senior Notes”) have a principal value of \$300.0 million, pay interest at 4.875% semiannually on February 1 and August 1 of each year, and mature on August 1, 2025. The 2025 Senior Notes include unamortized debt premium, net at June 30, 2022, of \$8.9 million, which will be amortized over the remaining life of the notes. The unamortized debt premium is recorded as a liability within long-term debt on our Condensed Consolidated Balance Sheets. JHG fully and unconditionally guarantees the obligations of Janus Henderson US (Holdings) Inc. in relation to the 2025 Senior Notes.

Credit Facility

At June 30, 2022, we had a \$200 million, unsecured, revolving credit facility (“Credit Facility”). JHG and its subsidiaries may use the Credit Facility for general corporate purposes. The rate of interest for each interest period is the aggregate of the applicable margin, which is based on our long-term credit rating and the Secured Overnight Financing Rate (“SOFR”) in relation to any loan in U.S. dollars (“USD”); the Sterling Overnight Index Average (“SONIA”) in relation to any loan in British pounds (“GBP”); the Euro Interbank Offered Rate (“EURIBOR”) in relation to any loan in euros (“EUR”); or the Bank Bill Swap Rate (“BBSW”) in relation to any loan in Australian dollars (“AUD”). As a result of the phase-out of the London Interbank Offered Rate (“LIBOR”), our Credit Facility was amended to incorporate the SOFR as the successor rate to USD LIBOR and the SONIA as the successor rate to GBP LIBOR. We are required to pay a quarterly commitment fee on any unused portion of the Credit Facility, which is also based on our long-term credit rating. Under the Credit Facility, our financing leverage ratio cannot exceed 3.00x EBITDA. At June 30, 2022, we were in compliance with all covenants contained in, and there were no outstanding borrowings under, the Credit Facility. The maturity date of the Credit Facility is February 16, 2024.

Note 9 — Income Taxes

Our effective tax rates for the three and six months ended June 30, 2022 and 2021, were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Effective tax rate	124.2 %	36.1 %	53.6 %	29.8 %

The effective tax rates for the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021, were impacted by a decrease in pre-tax book income with a significant increase in the disallowed noncontrolling interest loss from a certain seeded investment product, as a result of the consolidation of the fund during the second quarter 2022.

As of June 30, 2022, we had \$18.2 million of unrecognized tax benefits held for uncertain tax positions. We estimate that the existing liability for uncertain tax positions could decrease by up to \$2.3 million within the next 12 months, without giving effect to changes in foreign currency translation.

Note 10 — Noncontrolling Interests

Redeemable Noncontrolling Interests

Redeemable noncontrolling interests as of June 30, 2022, and December 31, 2021, consisted of the following (in millions):

	June 30, 2022	December 31, 2021
Consolidated seeded investment products	\$ 921.1	\$ 148.5
Intech:		
Employee appreciation rights	—	12.6
Founding member ownership interests	—	2.3
Total redeemable noncontrolling interests	<u>\$ 921.1</u>	<u>\$ 163.4</u>

Consolidated Seeded Investment Products

Noncontrolling interests in consolidated seeded investment products are classified as redeemable noncontrolling interests when there is an obligation to repurchase units at the investor's request.

Redeemable noncontrolling interests in consolidated seeded investment products may fluctuate from period to period and are impacted by changes in our relative ownership, changes in the amount of third-party investment in seeded products and volatility in the market value of the seeded products' underlying securities. Third-party redemption of investments in any particular seeded product is redeemed from the respective product's net assets and cannot be redeemed from the assets of our other seeded products or from our other assets.

As of June 30, 2022, our ownership percentage in a certain seeded investment product was greater than our VIE consolidation threshold, resulting in the consolidation of the fund, and is the primary driver of the significant increase in our redeemable noncontrolling interests balance.

The following table presents the movement in redeemable noncontrolling interests in consolidated seeded investment products for the three and six months ended June 30, 2022 and 2021 (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Opening balance	\$ 150.7	\$ 83.7	\$ 148.5	\$ 70.6
Changes in market value	(101.0)	3.9	(121.1)	(2.4)
Changes in ownership	895.0	21.5	917.2	40.1
Foreign currency translation	(23.6)	0.1	(23.5)	0.9
Closing balance	<u>\$ 921.1</u>	<u>\$ 109.2</u>	<u>\$ 921.1</u>	<u>\$ 109.2</u>

Nonredeemable Noncontrolling Interests

Nonredeemable noncontrolling interests as of June 30, 2022, and December 31, 2021, were as follows (in millions):

	June 30, 2022	December 31, 2021
Nonredeemable noncontrolling interests in:		
Seed capital investments	\$ 2.8	\$ 2.8
Intech	—	12.6
Total nonredeemable noncontrolling interests	<u>\$ 2.8</u>	<u>\$ 15.4</u>

On March 31, 2022, we completed the sale of our 97%-owned subsidiary, Intech. See Note 2 — Dispositions for further information regarding the sale.

Note 11 — Long-Term Incentive and Employee Compensation

The following table presents restricted stock and mutual fund awards granted during the three and six months ended June 30, 2022 (in millions):

	Three months ended June 30, 2022		Six months ended June 30, 2022	
Restricted stock	\$	6.6	\$	106.6
Mutual fund awards		15.0		113.3
Total	\$	21.6	\$	219.9

Restricted stock and mutual fund awards generally vest and will be recognized using a graded vesting method over a three-year period.

Note 12 — Retirement Benefit Plans

We operate defined contribution retirement benefit plans and defined benefit pension plans.

Our primary defined benefit pension plan is the defined benefit section of the Janus Henderson Group UK Pension Scheme (“JHGPS”).

Net Periodic Benefit Credit (Cost)

The components of net periodic benefit credit (cost) in respect of defined benefit plans for the three and six months ended June 30, 2022 and 2021, include the following (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Service cost	\$ —	\$ (0.3)	\$ —	\$ (0.5)
Interest cost	(4.1)	(2.8)	(8.6)	(5.6)
Amortization of prior service cost	(0.1)	(0.1)	(0.2)	(0.2)
Expected return on plan assets	2.7	3.4	7.2	6.7
Net periodic benefit credit (cost)	\$ (1.5)	\$ 0.2	\$ (1.6)	\$ 0.4

Note 13 — Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss, net of tax for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,					
	2022			2021		
	Foreign currency	Retirement benefit asset, net	Total	Foreign currency	Retirement benefit asset, net	Total
Beginning balance	\$ (410.5)	\$ (32.7)	\$ (443.2)	\$ (311.1)	\$ (10.3)	\$ (321.4)
Other comprehensive income (loss)	(182.1)	—	(182.1)	3.2	0.1	3.3
Amounts reclassified from accumulated other comprehensive loss	6.6	0.1	6.7	—	0.1	0.1
Total other comprehensive income (loss)	(175.5)	0.1	(175.4)	3.2	0.2	3.4
Less: other comprehensive loss (income) attributable to noncontrolling interests	23.6	—	23.6	(0.2)	—	(0.2)
Ending balance	<u>\$ (562.4)</u>	<u>\$ (32.6)</u>	<u>\$ (595.0)</u>	<u>\$ (308.1)</u>	<u>\$ (10.1)</u>	<u>\$ (318.2)</u>

	Six months ended June 30,					
	2022			2021		
	Foreign currency	Retirement benefit asset, net	Total	Foreign currency	Retirement benefit asset, net	Total
Beginning balance	\$ (363.3)	\$ (32.8)	\$ (396.1)	\$ (313.6)	\$ (10.4)	\$ (324.0)
Other comprehensive loss	(229.9)	—	(229.9)	10.7	0.1	10.8
Amounts reclassified from accumulated other comprehensive loss	7.4	0.2	7.6	(4.2)	0.2	(4.0)
Total other comprehensive loss	(222.5)	0.2	(222.3)	6.5	0.3	6.8
Less: other comprehensive loss attributable to noncontrolling interests	23.4	—	23.4	(1.0)	—	(1.0)
Ending balance	<u>\$ (562.4)</u>	<u>\$ (32.6)</u>	<u>\$ (595.0)</u>	<u>\$ (308.1)</u>	<u>\$ (10.1)</u>	<u>\$ (318.2)</u>

The components of other comprehensive income (loss), net of tax for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,					
	2022			2021		
	Pre-tax amount	Tax impact	Net amount	Pre-tax amount	Tax impact	Net amount
Foreign currency translation adjustments	\$ (184.1)	\$ 2.0	\$ (182.1)	\$ 2.6	\$ 0.6	\$ 3.2
Retirement benefit asset, net	—	—	—	—	0.1	0.1
Reclassifications to net income	6.7	—	6.7	0.1	—	0.1
Total other comprehensive income (loss)	<u>\$ (177.4)</u>	<u>\$ 2.0</u>	<u>\$ (175.4)</u>	<u>\$ 2.7</u>	<u>\$ 0.7</u>	<u>\$ 3.4</u>

	Six months ended June 30,					
	2022			2021		
	Pre-tax amount	Tax impact	Net Amount	Pre-tax amount	Tax impact	Net Amount
Foreign currency translation adjustments	\$ (233.1)	\$ 3.2	\$ (229.9)	\$ 9.7	\$ 1.0	\$ 10.7
Retirement benefit asset, net	—	—	—	—	0.1	0.1
Reclassifications to net income	7.6	—	7.6	(4.0)	—	(4.0)
Total other comprehensive income (loss)	<u>\$ (225.5)</u>	<u>\$ 3.2</u>	<u>\$ (222.3)</u>	<u>\$ 5.7</u>	<u>\$ 1.1</u>	<u>\$ 6.8</u>

Note 14 — Earnings and Dividends Per Share

Earnings Per Share

The following is a summary of the earnings per share calculation for the three and six months ended June 30, 2022 and 2021 (in millions, except per share data):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net income attributable to JHG	\$ 93.9	\$ 137.3	\$ 172.6	\$ 292.8
Allocation of earnings to participating stock-based awards	(2.9)	(3.9)	(4.9)	(8.6)
Net income attributable to JHG common shareholders	<u>\$ 91.0</u>	<u>\$ 133.4</u>	<u>\$ 167.7</u>	<u>\$ 284.2</u>
Weighted-average common shares outstanding — basic	161.9	167.6	163.0	169.5
Dilutive effect of nonparticipating stock-based awards	0.3	0.5	0.4	0.5
Weighted-average common shares outstanding — diluted	<u>162.2</u>	<u>168.1</u>	<u>163.4</u>	<u>170.0</u>
Earnings per share:				
Basic (two class)	\$ 0.56	\$ 0.80	\$ 1.03	\$ 1.68
Diluted (two class)	<u>\$ 0.56</u>	<u>\$ 0.79</u>	<u>\$ 1.03</u>	<u>\$ 1.67</u>

Dividends Per Share

The payment of cash dividends is within the discretion of our Board of Directors and depends on many factors, including, but not limited to, our results of operations, financial condition, capital requirements, legal requirements, and general business conditions.

The following is a summary of cash dividends declared and paid during the six months ended June 30, 2022:

Dividend per share	Date declared	Dividends paid (in US\$ millions)	Date paid
\$ 0.38	February 2, 2022	\$ 64.3	February 28, 2022
\$ 0.39	May 3, 2022	\$ 65.5	May 31, 2022

On July 27, 2022, our Board of Directors declared a \$0.39 per share dividend for the second quarter 2022. The quarterly dividend will be paid on August 24, 2022, to shareholders of record at the close of business on August 8, 2022.

Note 15 — Commitments and Contingencies

We are periodically involved in various legal proceedings and other regulatory matters. Although there can be no assurances, based on information currently available, we believe that it is probable that the ultimate outcome of matters that are pending or threatened will not have a material effect on our consolidated financial statements.

With respect to the unaudited financial statements of Janus Henderson Group plc as of and for the three-month and six-month periods ended June 30, 2022, appearing herein, PricewaterhouseCoopers LLP (United States) reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated July 28, 2022, appearing herein, states that they did not audit and they do not express an opinion on the unaudited financial statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers LLP (United States) is not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited financial statements because that report is not a “report” or a “part” of the registration statement prepared or certified by PricewaterhouseCoopers LLP (United States) within the meaning of Sections 7 and 11 of the Act.



Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Janus Henderson Group plc

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of Janus Henderson Group plc and its subsidiaries (the “Company”) as of June 30, 2022, and the related condensed consolidated statements of comprehensive income (loss) and of changes in equity for the three-month and six-month periods ended June 30, 2022 and 2021 and the condensed consolidated statements of cash flows for the six month periods ended June 30, 2022 and 2021, including the related notes (collectively referred to as the “interim financial statements”). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Company as of December 31, 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the year then ended (not presented herein), and in our report dated February 24, 2022, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet information as of December 31, 2021 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These interim financial statements are the responsibility of the Company’s management. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ PricewaterhouseCoopers LLP
Denver, Colorado
July 28, 2022

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q not based on historical facts are "forward-looking statements" within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995, as amended, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the Securities Act of 1933, as amended (the "Securities Act"). Such forward-looking statements involve known and unknown risks and uncertainties that are difficult to predict and could cause our actual results, performance or achievements to differ materially from those discussed. These include statements as to our future expectations, beliefs, plans, strategies, objectives, events, conditions, financial performance, prospects, or future events. In some cases, forward-looking statements can be identified by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and similar words and phrases. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Accordingly, you should not place undue reliance on forward-looking statements, which speak only as of the date they are made, and are not guarantees of future performance. We do not undertake any obligation to publicly update or revise these forward-looking statements.

Various risks, uncertainties, assumptions and factors that could cause our future results to differ materially from those expressed by the forward-looking statements included in this Quarterly Report on Form 10-Q include, but are not limited to, risks, uncertainties, assumptions, and factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2021, and this Quarterly Report on Form 10-Q under headings such as "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk," and in other filings or furnishings made by the Company with the SEC from time to time.

Available Information

We make available free of charge our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K and amendments thereto as soon as reasonably practicable after such filings have been made with the SEC. These reports may be obtained through our Investor Relations website (ir.janushenderson.com) and are available in print at no charge upon request by any shareholder. The contents of our website are not incorporated herein for any purpose. The SEC also maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Charters for the Audit Committee, Compensation Committee, Risk Committee, and Nominating and Corporate Governance Committee of our Board of Directors, as well as our Corporate Governance Guidelines, Code of Business Conduct and Code of Ethics for Senior Financial Officers (our "Senior Officer Code") are posted on our Investor Relations website (ir.janushenderson.com) and are available in print at no charge upon request by any shareholder. Within the time period prescribed by SEC and New York Stock Exchange ("NYSE") regulations, we will post on our website any amendment to our Senior Officer Code or our Code of Business Conduct and any waivers thereof for directors or executive officers. The information on our website is not incorporated by reference into this report.

Business Overview

We are an independent global asset manager, specializing in active investment across all major asset classes. We actively manage a broad range of investment products for institutional and retail investors across four capabilities: Equities, Fixed Income, Multi-Asset and Alternatives.

Segment Considerations

We are a global asset manager and manage a range of investment products, operating across various product lines, distribution channels and geographic regions. However, information is reported to the chief operating decision-maker, our Chief Executive Officer ("CEO"), on an aggregated basis. Strategic and financial management decisions are determined centrally by our CEO and, on this basis, we operate as a single-segment investment management business.

Revenue

Revenue primarily consists of management fees and performance fees. Management fees are generally based on a percentage of the market value of our AUM and are calculated using either the daily, month-end or quarter-end average asset balance in accordance with contractual agreements. Accordingly, fluctuations in the financial markets have a direct effect on our operating results. Additionally, our AUM may outperform or underperform the financial markets and, therefore, may fluctuate in varying degrees from that of the general market.

Performance fees are specified in certain fund and client contracts, and are based on investment performance either on an absolute basis or compared to an established index over a specified period of time. These fees are often subject to a hurdle rate. Performance fees are recognized at the end of the contractual period (typically monthly, quarterly or annually) if the stated performance criteria are achieved. Certain fund and client contracts allow for negative performance fees where there is underperformance against the relevant index.

SECOND QUARTER 2022 SUMMARY

Second Quarter 2022 Highlights

- On June 21, 2022, Ali Dibadj commenced his employment as our new CEO and was appointed to our Board of Directors.
- Solid long-term investment performance, with 50%, 60%, 65%, and 76% of our AUM outperforming relevant benchmarks on a one-, three-, five-, and 10-year basis, respectively, as of June 30, 2022.
- AUM decreased to \$299.7 billion, down (17%) from March 31, 2022, due to challenged global markets, USD appreciation and net outflows. Net outflows of \$7.8 billion reflect a significant slowdown in intermediary gross sales and investment underperformance in key strategies.
- Second quarter 2022 diluted earnings per share was \$0.56, or \$0.63 on an adjusted basis. Refer to the Non-GAAP Financial Measures section below for information on adjusted non-GAAP figures.
- On July 27, 2022, the Board declared a \$0.39 per share dividend for the second quarter 2022.
- During the second quarter 2022, we acquired 2.1 million shares of our common stock for \$55.6 million as part of the share buyback program.

Financial Summary

Results are reported on a U.S. GAAP basis. Adjusted non-GAAP figures are presented in the Non-GAAP Financial Measures section below.

Revenue for the second quarter 2022 was \$555.5 million, a decrease of \$182.9 million, or (25%), compared to the second quarter 2021. Key drivers of the decrease include the following:

- A decline of \$90.5 million in management fees primarily due to the impact of lower average AUM.
- A decline of \$80.8 million in performance fees primarily due to a reduction in performance fee crystallizations and an increase in negative mutual fund performance fees.

Total operating expenses for the second quarter 2022 were \$411.6 million, a decrease of \$101.8 million, or (20%), compared to operating expenses in the second quarter 2021. Key drivers of the decrease include the following:

- A decrease of \$47.4 million in employee compensation and benefits primarily due to lower variable compensation charges.

- A decrease of \$40.8 million in goodwill and intangible asset impairment charges due to an impairment of certain indefinite-lived intangible assets recognized during the three months ended June 30, 2021.

Operating income for the second quarter 2022 was \$143.9 million, a decrease of \$81.1 million, or (36%), compared to the second quarter 2021. Our operating margin was 25.9% in the second quarter 2022 compared to 30.5% in the second quarter 2021.

Net income attributable to JHG in the second quarter 2022 was \$93.9 million, a decrease of \$43.4 million, or (32%), compared to the second quarter 2021. In addition to the aforementioned factors affecting revenue and operating expenses, key drivers of the decrease include the following:

- An unfavorable movement of \$111.2 million in investment gains, net in the second quarter 2022 compared to the second quarter 2021, partially offset by an improvement of \$104.9 million in net loss attributable to noncontrolling interests. As of June 30, 2022, our ownership percentage in a certain seeded investment product was greater than our consolidation threshold, resulting in the consolidation of the fund, and is the primary driver of the significant movement within investment gains, net and net loss attributable to noncontrolling interests.
- A decrease of \$43.0 million in our provision for income taxes primarily due to a decrease in pre-tax income.

Investment Performance of Assets Under Management

The following table is a summary of investment performance as of June 30, 2022:

Percentage of AUM outperforming benchmark	1 year	3 years	5 years	10 years
Equities	41 %	43 %	47 %	63 %
Fixed Income	45 %	79 %	93 %	99 %
Multi-Asset	93 %	95 %	95 %	99 %
Alternatives	31 %	100 %	100 %	100 %
Total	50 %	60 %	65 %	76 %

Assets Under Management

Our AUM as of June 30, 2022, was \$299.7 billion, a decrease of \$132.6 billion, or (30.7%), from December 31, 2021, driven primarily by negative market movements of \$73.7 billion and \$28.3 billion due to the disposition of Intech. Net redemptions of \$19.7 billion, or \$14.0 billion when excluding Intech, also contributed to the decline in AUM.

Our non-USD AUM is primarily denominated in GBP, EUR, and AUD. During the three and six months ended June 30, 2022, the USD strengthened against GBP, EUR, and AUD, resulting in a \$8.9 billion and \$10.9 billion decrease in our AUM, respectively. As of June 30, 2022, approximately 32.6% of our AUM was non-USD denominated.

VelocityShares exchange-traded notes ("ETNs") and certain index products are not included within our AUM because we are not the named adviser or subadviser to ETNs or index products. VelocityShares ETN assets totaled \$0.1 billion and \$0.2 billion as of June 30, 2022, and December 31, 2021, respectively. VelocityShares index product assets, not included within our AUM, totaled \$1.5 billion and \$1.9 billion as of June 30, 2022, and December 31, 2021, respectively.

Our AUM and flows by capability for the three and six months ended June 30, 2022 and 2021, were as follows (in billions):

	Closing AUM March 31, 2022	Sales	Redemptions ⁽¹⁾	Net sales (redemptions)	Markets	FX ⁽²⁾	Reclassifications and disposals ⁽³⁾	Closing AUM June 30, 2022
By capability								
Equities	\$ 221.3	\$ 5.5	\$ (11.3)	\$ (5.8)	\$ (34.3)	\$ (4.2)	\$ —	\$ 177.0
Fixed Income	75.5	4.9	(8.2)	(3.3)	(4.0)	(3.7)	—	64.5
Multi-Asset	53.9	1.6	(2.5)	(0.9)	(6.1)	(0.4)	—	46.5
Quantitative Equities	—	—	—	—	—	—	—	—
Alternatives	10.3	4.4	(2.2)	2.2	(0.2)	(0.6)	—	11.7
Total	\$ 361.0	\$ 16.4	\$ (24.2)	\$ (7.8)	\$ (44.6)	\$ (8.9)	\$ —	\$ 299.7

	Closing AUM December 31, 2021	Sales	Redemptions ⁽¹⁾	Net sales (redemptions)	Markets	FX ⁽²⁾	Reclassifications and disposals ⁽³⁾	Closing AUM June 30, 2022
By capability								
Equities	\$ 244.3	\$ 14.0	\$ (23.6)	\$ (9.6)	\$ (53.5)	\$ (5.5)	\$ 1.3	\$ 177.0
Fixed Income	79.6	10.9	(14.2)	(3.3)	(7.8)	(4.0)	—	64.5
Multi-Asset	59.7	3.9	(7.0)	(3.1)	(9.6)	(0.5)	—	46.5
Quantitative Equities	38.0	0.2	(5.9)	(5.7)	(2.6)	(0.1)	(29.6)	—
Alternatives	10.7	5.3	(3.3)	2.0	(0.2)	(0.8)	—	11.7
Total	\$ 432.3	\$ 34.3	\$ (54.0)	\$ (19.7)	\$ (73.7)	\$ (10.9)	\$ (28.3)	\$ 299.7

	Closing AUM March 31, 2021	Sales	Redemptions ⁽¹⁾	Net sales (redemptions)	Markets	FX ⁽²⁾	Reclassifications and disposals ⁽³⁾	Closing AUM June 30, 2021
By capability								
Equities	\$ 224.9	\$ 8.6	\$ (10.5)	\$ (1.9)	\$ 17.0	\$ 0.1	\$ —	\$ 240.1
Fixed Income	79.5	5.9	(6.0)	(0.1)	1.3	(0.2)	—	80.5
Multi-Asset	49.5	2.4	(1.9)	0.5	3.2	—	—	53.2
Quantitative Equities	41.3	0.2	(1.5)	(1.3)	3.3	0.1	—	43.4
Alternatives	9.9	1.3	(1.0)	0.3	0.2	—	—	10.4
Total	\$ 405.1	\$ 18.4	\$ (20.9)	\$ (2.5)	\$ 25.0	\$ (0.0)	\$ —	\$ 427.6

	Closing AUM December 31, 2020	Sales	Redemptions ⁽¹⁾	Net sales (redemptions)	Markets	FX ⁽²⁾	Reclassifications and disposals ⁽³⁾	Closing AUM June 30, 2021
By capability								
Equities	\$ 219.4	\$ 19.1	\$ (22.5)	\$ (3.4)	\$ 24.3	\$ (0.2)	\$ —	\$ 240.1
Fixed Income	81.5	11.8	(11.5)	0.3	(0.8)	(0.5)	—	80.5
Multi-Asset	48.0	5.4	(4.1)	1.3	3.9	—	—	53.2
Quantitative Equities	42.0	0.4	(3.8)	(3.4)	4.8	—	—	43.4
Alternatives	10.7	2.4	(3.0)	(0.6)	0.4	(0.1)	—	10.4
Total	\$ 401.6	\$ 39.1	\$ (44.9)	\$ (5.8)	\$ 32.6	\$ (0.8)	\$ —	\$ 427.6

(1) Redemptions include the impact of client transfers, which could result in a positive balance on occasion.

(2) FX reflects movements in AUM resulting from changes in foreign currency rates as non-USD-denominated AUM is translated into USD.

(3) Disposals relate to the sale of Intech and reclassifications relate to a reclassification of existing funds from Quantitative Equities to Equities.

Our AUM and flows by client type for the three and six months ended June 30, 2022 and 2021, were as follows (in billions):

	Closing AUM March 31, 2022	Sales	Redemptions	Net sales (redemptions)	Markets	FX	Reclassifications and disposals	Closing AUM June 30, 2022
By client type:								
Intermediary	\$ 197.2	\$ 9.5	\$ (15.2)	\$ (5.7)	\$ (22.2)	\$ (4.3)	\$ —	\$ 165.0
Institutional	82.3	6.5	(7.7)	(1.2)	(7.1)	(4.2)	—	69.8
Self-directed	81.5	0.4	(1.3)	(0.9)	(15.3)	(0.4)	—	64.9
Total	\$ 361.0	\$ 16.4	\$ (24.2)	\$ (7.8)	\$ (44.6)	\$ (8.9)	\$ —	\$ 299.7

	Closing AUM December 31, 2021	Sales	Redemptions	Net sales (redemptions)	Markets	FX	Reclassifications and disposals	Closing AUM June 30, 2022
By client type:								
Intermediary	\$ 215.0	\$ 23.5	\$ (31.0)	\$ (7.5)	\$ (36.0)	\$ (5.6)	\$ (0.9)	\$ 165.0
Institutional	127.2	9.8	(20.1)	(10.3)	(14.9)	(4.8)	(27.4)	69.8
Self-directed	90.1	1.0	(2.9)	(1.9)	(22.8)	(0.5)	—	64.9
Total	\$ 432.3	\$ 34.3	\$ (54.0)	\$ (19.7)	\$ (73.7)	\$ (10.9)	\$ (28.3)	\$ 299.7

	Closing AUM March 31, 2021	Sales	Redemptions	Net sales (redemptions)	Markets	FX	Reclassifications and disposals	Closing AUM June 30, 2021
By client type:								
Intermediary	\$ 196.2	\$ 13.5	\$ (13.5)	\$ —	\$ 10.4	\$ 0.1	\$ —	\$ 206.7
Institutional	127.2	4.2	(6.0)	(1.8)	7.9	(0.2)	—	133.1
Self-directed	81.7	0.7	(1.4)	(0.7)	6.7	0.1	—	87.8
Total	\$ 405.1	\$ 18.4	\$ (20.9)	\$ (2.5)	\$ 25.0	\$ —	\$ —	\$ 427.6

	Closing AUM December 31, 2020	Sales	Redemptions	Net sales (redemptions)	Markets	FX	Reclassifications and disposals	Closing AUM June 30, 2021
By client type:								
Intermediary	\$ 192.9	\$ 30.0	\$ (28.9)	\$ 1.1	\$ 14.8	\$ (0.3)	\$ (1.8)	\$ 206.7
Institutional	127.6	7.5	(12.8)	(5.3)	9.6	(0.6)	1.8	133.1
Self-directed	81.1	1.6	(3.2)	(1.6)	8.2	0.1	—	87.8
Total	\$ 401.6	\$ 39.1	\$ (44.9)	\$ (5.8)	\$ 32.6	\$ (0.8)	\$ —	\$ 427.6

Average Assets Under Management

The following table presents our average AUM by capability for the three and six months ended June 30, 2022 and 2021 (in billions):

By capability	Three months ended June 30,		Six months ended June 30,		Three months ended June 30,	Six months ended June 30,
	2022	2021	2022	2021	2022 vs. 2021	2022 vs. 2021
Equities	\$ 197.0	\$ 235.3	\$ 209.8	\$ 229.5	(16)%	(9)%
Fixed Income	68.8	80.7	73.1	80.8	(15)%	(10)%
Multi-Asset	49.5	51.8	52.0	50.2	(4)%	4 %
Quantitative Equities	—	42.9	15.5	42.2	n/m *	(63)%
Alternatives	13.2	10.1	12.0	10.4	31 %	15 %
Total	\$ 328.5	\$ 420.8	\$ 362.4	\$ 413.1	(22)%	(12)%

* n/m - Not meaningful.

Closing Assets Under Management

The following table presents the closing AUM by client location as of June 30, 2022 and 2021 (in billions):

By client location	Closing AUM June 30, 2022	Closing AUM June 30, 2021
North America	\$ 171.8	\$ 236.8
EMEA and LatAm	95.9	131.2
Asia Pacific	32.0	59.6
Total	\$ 299.7	\$ 427.6

Valuation of Assets Under Management

The fair value of our AUM is based on the value of the underlying cash and investment securities of our funds, trusts and segregated mandates. A significant proportion of these securities is listed or quoted on a recognized securities exchange or market and is regularly traded thereon; these investments are valued based on unadjusted quoted market prices. However, for non-U.S. equity securities held by U.S. mutual funds, excluding exchange-traded funds (“ETFs”), the quoted market prices may be adjusted to capture market movement between the time the local market closes and the NYSE closes. Other investments, including over-the-counter (“OTC”) derivative contracts (which are dealt in or through a clearing firm, exchanges or financial institutions), are valued by reference to the most recent official settlement price quoted by the appointed market vendor, and in the event no price is available from this source, a broker quotation may be used. Physical property held is valued monthly by a specialist independent appraiser.

When a readily ascertainable market value does not exist for an investment, the fair value is calculated using a variety of methodologies, including the expected cash flows of its underlying net asset base, taking into account applicable discount rates and other factors; comparable securities or relevant indices; recent financing rounds; revenue multiples; or a combination thereof. Judgment is used to ascertain if a formerly active market has become inactive and to determine fair values when markets have become inactive. Our Fair Value Pricing Committee is responsible for determining or approving these unquoted prices, which are reported to those charged with governance of the funds and trusts. For funds that invest in markets that are closed at their valuation point, an assessment is made daily to determine whether a fair value pricing adjustment is required to the fund’s valuation. This may be due to significant market movements in other correlated open markets, scheduled market closures or unscheduled market closures as a result of natural disaster or government intervention.

Third-party administrators hold a key role in the collection and validation of prices used in the valuation of the securities. Daily price validation is completed using techniques such as day-on-day tolerance movements, invariant

prices, excessive movement checks and intra-vendor tolerance checks. Our data management team performs oversight of this process and completes annual due diligence on the processes of third parties.

In other cases, we and the sub-administrators perform a number of procedures to validate the pricing received from third-party providers. For actively traded equity and fixed income securities, prices are received daily from both a primary and secondary vendor. Prices from the primary and secondary vendors are compared to identify any discrepancies. In the event of a discrepancy, a price challenge may be issued to both vendors. Securities with significant day-to-day price changes require additional research, which may include a review of all news pertaining to the issue and issuer, and any corporate actions. All fixed income prices are reviewed by our fixed income trading desk to incorporate market activity information available to our traders. In the event the traders have received price indications from market makers for a particular issue, this information is transmitted to the pricing vendors.

We leverage the expertise of our fund management teams across the business to cross-invest assets and create value for our clients. Where cross investment occurs, assets and flows are identified, and the duplication is removed.

Results of Operations

Foreign Currency Translation

Foreign currency translation impacts our Results of Operations. The translation of GBP to USD is the primary driver of foreign currency translation in expenses. The GBP weakened against the USD during the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021. Meaningful foreign currency translation impacts to our operating expenses are discussed in the Operating Expenses section below. Revenue is also impacted by foreign currency translation, but the impact is generally determined by the primary currency of the individual funds.

Revenue

	Three months ended June 30,		Six months ended June 30,		Three months ended June 30,	Six months ended June 30,
	2022	2021	2022	2021	2022 vs. 2021	2022 vs. 2021
Revenue (in millions):						
Management fees	\$ 453.6	\$ 544.1	\$ 967.6	\$ 1,059.0	(17)%	(9)%
Performance fees	(3.4)	77.4	(11.8)	94.4	n/m *	n/m *
Shareowner servicing fees	56.3	64.0	118.7	124.8	(12)%	(5)%
Other revenue	49.0	52.9	101.0	104.2	(7)%	(3)%
Total revenue	<u>\$ 555.5</u>	<u>\$ 738.4</u>	<u>\$ 1,175.5</u>	<u>\$ 1,382.4</u>	(25)%	(15)%

* n/m - Not meaningful.

Management fees

Management fees decreased by \$90.5 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, primarily due to the impact of lower average AUM, which caused management fees to decline by \$103.0 million. This decrease was partially offset by an improvement in management fee margins, which positively impacted the change in management fees by \$9.2 million when comparing the aforementioned periods.

Management fees decreased by \$91.4 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily due to the impact of lower average AUM, which caused management fees to decline by \$94.7 million during the six months ended June 30, 2022.

Performance fees

Performance fees are derived across a number of product ranges. U.S. mutual fund performance fees are recognized on a monthly basis, while all other product range performance fees are recognized on a quarterly or annual basis. The investment management fees paid by each U.S. mutual fund subject to a performance fee is the base management fee plus or minus a performance fee adjustment, as determined by the relative investment performance of the fund compared to a specified benchmark index. Performance fees by product type consisted of the following for the three and six months ended June 30, 2022 and 2021 (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Performance fees (in millions):				
SICAVs	\$ 1.2	\$ 50.2	\$ 1.2	\$ 62.6
UK OEICs and unit trusts	0.1	15.2	0.1	19.2
Offshore absolute return funds and other funds	4.7	0.2	10.4	2.4
Segregated mandates	(0.4)	1.9	(0.5)	4.2
Investment trusts	6.4	12.7	6.4	12.7
U.S. mutual funds	(15.4)	(2.8)	(29.4)	(6.7)
Total performance fees	<u>\$ (3.4)</u>	<u>\$ 77.4</u>	<u>\$ (11.8)</u>	<u>\$ 94.4</u>

For the three and six months ended June 30, 2022, performance fees decreased \$80.8 million and \$106.2 million when compared to the three and six months ended June 30, 2021, respectively, primarily due to a decline in performance fee crystallizations within Société d'Investissement À Capital Variable ("SICAV") and UK Open Ended Investment Companies ("OEICs"), and an increase in negative performance fees associated with U.S. mutual funds.

Shareowner servicing fees

Shareowner servicing fees are primarily composed of mutual fund servicing fees, which are driven by AUM. For the three and six months ended June 30, 2022, shareowner servicing fees decreased \$7.7 million and \$6.1 million when compared to the three and six months ended June 30, 2021, respectively, primarily due to a decrease in average AUM.

Other revenue

Other revenue is primarily composed of 12b-1 distribution fees, general administration charges and other fee revenue. For the three and six months ended June 30, 2022, other revenue decreased \$3.9 million and \$3.2 million when compared to the three and six months ended June 30, 2021, respectively, primarily due to a decrease in 12b-1 distribution fees and servicing fees, and lower general administration charges driven by a decline in average AUM.

Operating Expenses

	Three months ended June 30,		Six months ended June 30,		Three months ended June 30, 2022 vs. 2021	Six months ended June 30, 2022 vs. 2021
	2022	2021	2022	2021		
Operating expenses (in millions):						
Employee compensation and benefits	\$ 145.0	\$ 192.4	\$ 309.6	\$ 367.0	(25)%	(16)%
Long-term incentive plans	40.7	49.8	92.1	103.3	(18)%	(11)%
Distribution expenses	127.8	134.8	269.6	262.2	(5)%	3 %
Investment administration	10.3	13.1	25.1	25.7	(21)%	(2)%
Marketing	7.8	6.7	15.2	12.9	16 %	18 %
General, administrative and occupancy	72.3	65.7	145.4	128.7	10 %	13 %
Impairment of goodwill and intangible assets	—	40.8	32.8	44.4	n/m *	(26)%
Depreciation and amortization	7.7	10.1	17.2	20.7	(24)%	(17)%
Total operating expenses	<u>\$ 411.6</u>	<u>\$ 513.4</u>	<u>\$ 907.0</u>	<u>\$ 964.9</u>	(20)%	(6)%

* n/m - Not meaningful.

Employee compensation and benefits

Employee compensation and benefits decreased by \$47.4 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, primarily driven by a decrease of \$44.1 million in variable compensation, mainly due to a lower annual bonus, and favorable foreign currency translation of \$10.0 million, partially offset by \$6.2 million of annual base-pay increases.

Employee compensation and benefits decreased by \$57.4 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily driven by a decrease of \$62.2 million in variable compensation, mainly due to a lower annual bonus, and favorable foreign currency translation of \$12.7 million. These decreases were partially offset by \$12.4 million of annual base-pay increases and a \$5.0 million increase in fixed compensation costs, due to higher headcount.

Long-term incentive plans

Long-term incentive plan expenses decreased by \$9.1 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, primarily driven by a \$15.3 million decrease mainly due to market declines related to mutual fund share awards and certain long-term incentive awards, favorable foreign currency translation of \$2.2 million, and \$2.0 million in lower payroll taxes on vested awards. These decreases were partially offset by \$10.4 million for the roll-on of new awards exceeding the roll-off of vested awards and the acceleration of expense related to departed employees.

Long-term incentive plan expenses decreased by \$11.2 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily driven by a \$31.8 million decrease mainly due to market declines related to mutual fund share awards and certain long-term incentive awards, favorable foreign currency translation of \$3.1 million, and \$1.9 million in lower payroll taxes on vested awards. These decreases were partially offset by \$25.6 million for the roll-on of new awards exceeding the roll-off of vested awards and acceleration of expense mainly due to the retirement of our CEO and Chief Investment Officer (“CIO”).

Distribution expenses

Distribution expenses are paid to financial intermediaries for the distribution and servicing of our retail investment products and are typically calculated based on the amount of the intermediary-sourced AUM. Distribution expenses decreased by \$7.0 million during the three months ended June 30, 2022, compared to the three months ended

June 30, 2021, primarily due to a decrease in average AUM subject to distribution charges, partially offset by the timing of adjustments to distribution expenses.

Distribution expenses increased by \$7.4 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily due to the timing of adjustments, partially offset by a decrease in average AUM subject to distribution charges.

Investment administration

Investment administration expenses, which represent back-office operations (including fund administration and fund accounting), decreased by \$2.8 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, primarily due to a \$1.9 million decrease in fund accounting expenses and favorable foreign currency translation of \$1.0 million.

Investment administration expenses decreased by \$0.6 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily due to favorable foreign currency translation of \$1.3 million, partially offset by an \$0.8 million increase in fund accounting expenses.

Marketing

Marketing expenses increased by \$1.1 million and \$2.3 million during the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021, respectively, primarily due to an increase in marketing events, sponsorships and advertising campaigns.

General, administrative and occupancy

General, administrative and occupancy expenses increased by \$6.6 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, primarily due to increases of \$4.0 million in information technology costs, driven by an increased investment in non-capitalizable hardware and software, and \$3.3 million in higher travel and entertainment expenditures during the three months ended June 30, 2022.

General, administrative and occupancy expenses increased by \$16.7 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021, primarily due to increases of \$6.9 million in information technology costs, driven by an increased investment in non-capitalizable hardware and software, \$4.7 million in travel and entertainment expenditures, \$3.6 million in consultancy fees related to certain project costs, and \$2.4 million in market data expenses due to new data subscriptions during the three months ended June 30, 2022.

Impairment of goodwill and intangible assets

Goodwill and intangible asset impairment charges decreased by \$40.8 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021, due to a \$40.8 million impairment of certain indefinite-lived intangible assets recognized during the three months ended June 30, 2021.

Goodwill and intangible asset impairment charges decreased by \$11.6 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021. The decrease is primarily due to a \$32.8 million out-of-period incremental impairment of our goodwill recognized during the six months ended June 30, 2022, partially offset by a \$40.8 million impairment of certain indefinite-lived intangible assets, and a \$3.6 million impairment of the Perkins brand name recognized during the six months ended June 30, 2021.

Depreciation and amortization

Depreciation and amortization expenses decreased \$2.4 million and \$3.5 million during the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021, primarily due to a reduction in the amortization of intangible assets resulting from the sale of Intech as well as a decrease in the amortization of internally developed software as assets were retired or became fully amortized during the current year.

Non-Operating Income and Expenses

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Non-operating income and expenses (in millions):				
Interest expense	\$ (3.2)	\$ (3.2)	\$ (6.4)	\$ (6.4)
Investment gains (losses), net	(109.4)	1.8	(141.6)	3.4
Other non-operating expenses, net	(1.7)	(2.7)	(9.5)	(2.8)
Income tax provision	(36.7)	(79.7)	(59.5)	(122.8)

Investment gains (losses), net

The components of investment gains (losses), net for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Investment gains (losses), net (in millions):				
Seeded investment products and hedges, net	\$ (6.7)	\$ (2.6)	\$ (18.2)	\$ 3.0
Third-party ownership interests in seeded investment products	(101.0)	3.9	(121.1)	(4.1)
Long Tail Alpha investment	0.2	(0.2)	1.7	1.9
Deferred equity plan	(0.5)	0.2	(2.0)	2.1
Other	(1.4)	0.5	(2.0)	0.5
Investment gains (losses), net	<u>\$ (109.4)</u>	<u>\$ 1.8</u>	<u>\$ (141.6)</u>	<u>\$ 3.4</u>

Investment gains (losses), net moved unfavorably by \$111.2 million and \$145.0 million during the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021. Movements in investment gains (losses), net are primarily due to consolidation of third-party ownership interests in seeded investment products and fair value adjustments in relation to our seeded investment products. Gains and losses attributable to third-party ownership interests in seeded investment products are noncontrolling interests and are not included in net income attributable to JHG.

Other non-operating expenses, net

Other non-operating expenses, net improved \$1.0 million during the three months ended June 30, 2022, compared to the three months ended June 30, 2021. The increase was primarily due to favorable foreign currency translation when comparing the three months ended June 30, 2022, to the three months ended June 30, 2021.

Other non-operating expenses, net declined \$6.7 million during the six months ended June 30, 2022, compared to the six months ended June 30, 2021. The decrease was primarily due to a loss of \$9.1 million related to the sale of Intech recognized during the six months ended June 30, 2022. This loss was partially offset by \$3.8 million of favorable foreign currency translation when comparing the six months ended June 30, 2022, to the six months ended June 30, 2021.

Income tax provision

Our effective tax rates for the three and six months ended June 30, 2022 and 2021, were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Effective tax rate	124.2 %	36.1 %	53.6 %	29.8 %

The effective tax rates for the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021, were impacted by a decrease in pre-tax book income with a significant increase in the disallowed noncontrolling interest loss from a certain seeded investment product, as a result of the consolidation of the fund during the second quarter 2022.

Net loss (income) attributable to noncontrolling interests

The components of net loss (income) attributable to noncontrolling interests for the three and six months ended June 30, 2022 and 2021, were as follows (in millions):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net loss (income) attributable to noncontrolling interests (in millions):				
Consolidated seeded investment products	\$ 101.0	\$ (3.9)	\$ 121.1	\$ 4.1
Majority-owned subsidiaries	—	—	—	(0.2)
Total net loss (income) attributable to noncontrolling interests	<u>\$ 101.0</u>	<u>\$ (3.9)</u>	<u>\$ 121.1</u>	<u>\$ 3.9</u>

Net loss (income) attributable to noncontrolling interests improved by \$104.9 million and \$117.2 million during the three and six months ended June 30, 2022, compared to the three and six months ended June 30, 2021. Movements in net loss attributable to noncontrolling interests primarily relate to third-party ownership interests in consolidated seeded investment products and fair value adjustments in relation to our seeded investment products.

Outlook for the Remainder of 2022

Our philosophy of maintaining strong financial discipline while reinvesting in the business to drive long-term growth continues in 2022, despite the current challenges we see in the market. Current areas of focus for reinvestment include distribution, technology and investments. Non-compensation operating expenses are expected to increase to the low- to mid-single digits, on a percentage basis, while adjusted compensation to revenue ratio is expected to be in the ratio range of 44% to 45% in 2022. In addition, we expect the sale of Intech to have an insignificant effect on our revenue and expenses for the remainder of 2022.

Performance fees are expected to continue to deteriorate in the second half of 2022. At current performance levels, we estimate that aggregate performance fees for 2022 could range from \$35.0 million to \$45.0 million negative, which includes U.S. mutual fund performance of approximately negative \$60.0 million.

With the flow trends we have seen in the first half of 2022, and the market volatility expected to continue through at least the end of the year, we anticipate flows to remain negative in the near-term. Average AUM in the second quarter 2022 was 9% higher than closing AUM. If AUM remained flat during the third quarter 2022, management fees will likely be 9% lower than second quarter 2022 management fees.

We also anticipate certain macroeconomic headwinds for the remainder of 2022, including volatile and potentially declining markets, rising interest rates, inflation and the Russia/Ukraine conflict which could have an adverse impact to our revenue and expenses.

Non-GAAP Financial Measures

We report our financial results in accordance with GAAP. However, JHG management evaluates our profitability and our ongoing operations using additional non-GAAP financial measures. These measures are not in accordance with, or a substitute for, GAAP, and our financial measures may be different from non-GAAP financial measures used by other companies. Management uses these performance measures to evaluate the business, and adjusted values are consistent with internal management reporting. We have provided a reconciliation below of our non-GAAP financial measures to the most directly comparable GAAP measures.

Alternative performance measures

The following is a reconciliation of revenue, operating expenses, operating income, net income attributable to JHG and diluted earnings per share to adjusted revenue, adjusted operating expenses, adjusted operating income, adjusted net income attributable to JHG and adjusted diluted earnings per share, respectively, for the three months ended June 30, 2022 and 2021 (in millions, except per share and operating margin data):

	Three months ended June 30,	
	2022	2021
Reconciliation of revenue to adjusted revenue		
Revenue	\$ 555.5	\$ 738.4
Management fees	(50.9)	(49.6)
Shareowner servicing fees	(46.9)	(53.1)
Other revenue	(30.0)	(32.1)
Adjusted revenue ⁽¹⁾	\$ 427.7	\$ 603.6
Reconciliation of operating expenses to adjusted operating expenses		
Operating expenses	\$ 411.6	\$ 513.4
Long-term incentive plans ⁽²⁾	(3.6)	0.1
Distribution expenses ⁽¹⁾	(127.8)	(134.8)
General, administrative and occupancy ⁽²⁾	(1.1)	(1.7)
Impairment of goodwill and intangible assets ⁽³⁾	—	(40.8)
Depreciation and amortization ⁽³⁾	(0.7)	(1.9)
Adjusted operating expenses	\$ 278.4	\$ 334.3
Adjusted operating income	149.3	269.3
Operating margin ⁽⁴⁾	25.9%	30.5%
Adjusted operating margin ⁽⁵⁾	34.9%	44.6%
Reconciliation of net income attributable to JHG to adjusted net income attributable to JHG		
Net income attributable to JHG	\$ 93.9	\$ 137.3
Long-term incentive plans ⁽²⁾	3.6	(0.1)
General, administrative and occupancy ⁽²⁾	1.1	1.7
Impairment of goodwill and intangible assets ⁽³⁾	—	40.8
Depreciation and amortization ⁽³⁾	0.7	1.9
Other non-operating income (expenses), net ⁽⁶⁾	5.3	(1.7)
Income tax provision ⁽⁷⁾	0.3	20.6
Adjusted net income attributable to JHG	104.9	200.5
Less: allocation of earnings to participating stock-based awards	(3.3)	(5.7)
Adjusted net income attributable to JHG common shareholders	\$ 101.6	\$ 194.8
Weighted-average common shares outstanding — diluted (two class)	162.2	168.1
Diluted earnings per share (two class) ⁽⁸⁾	\$ 0.56	\$ 0.79
Adjusted diluted earnings per share (two class) ⁽⁹⁾	\$ 0.63	\$ 1.16

- (1) We contract with third-party intermediaries to distribute and service certain of our investment products. Fees for distribution and servicing related activities are either provided for separately in an investment product's prospectus or are part of the management fee. Under both arrangements, the fees are collected by us and passed through to third-party intermediaries who are responsible for performing the applicable services. The majority of distribution and servicing fees we collect are passed through to third-party intermediaries. JHG management believes that the deduction of distribution and servicing fees from revenue in the computation of adjusted revenue reflects the pass-through nature of these revenues. In certain arrangements, we perform the distribution and servicing activities and retain the applicable fee. Revenues for distribution and servicing activities performed by us are not deducted from GAAP revenue.
- (2) Adjustments for the three months ended June 30, 2022, consist primarily of long-term incentive plan expense acceleration related to the departure of certain employees and rent expense for subleased office space. Adjustments for the three months ended June 30, 2021, consist primarily of rent expense for subleased office space. JHG management believes these costs do not represent our ongoing operations.
- (3) Investment management contracts have been identified as a separately identifiable intangible asset arising on the acquisition of subsidiaries and businesses. Such contracts are recognized at the net present value of the expected future cash flows arising from the contracts at the date of acquisition. For segregated mandate contracts, the intangible asset is amortized on a straight-line basis over the expected life of the contracts. In addition, the adjustment for the three months ended June 30, 2021, includes an impairment charge of certain mutual fund investment management agreements. JHG management believes these non-cash and acquisition-related costs are not representative of our ongoing operations.
- (4) Operating margin is operating income divided by revenue.
- (5) Adjusted operating margin is adjusted operating income divided by adjusted revenue.
- (6) Adjustments primarily relate to contingent consideration adjustments associated with prior acquisitions. In addition, the adjustment for the three months ended June 30, 2022, includes accumulated foreign currency translation expense related to liquidated JHG entities. JHG management believes these costs are not representative of our ongoing operations.
- (7) The tax impact of the adjustments is calculated based on the applicable U.S. or foreign statutory tax rate as it relates to each adjustment. Certain adjustments are either not taxable or not tax-deductible.
- (8) Diluted earnings per share is net income attributable to JHG common shareholders divided by weighted-average diluted common shares outstanding.
- (9) Adjusted diluted earnings per share is adjusted net income attributable to JHG common shareholders divided by weighted-average diluted common shares outstanding.

LIQUIDITY AND CAPITAL RESOURCES

Our capital structure, together with available cash balances, cash flows generated from operations, and further capital and credit market activities, if necessary, should provide us with sufficient resources to meet present and future cash needs, including operating and other obligations as they fall due and anticipated future capital requirements.

The following table summarizes key balance sheet data relating to our liquidity and capital resources as of June 30, 2022, and December 31, 2021 (in millions):

	June 30, 2022	December 31, 2021
Cash and cash equivalents held by the Company	\$ 847.6	\$ 1,106.0
Investment securities held by the Company	\$ 393.2	\$ 551.0
Fees and other receivables	\$ 293.5	\$ 351.6
Debt	\$ 308.9	\$ 310.4

Cash and cash equivalents consist primarily of cash at banks held in money market funds. Cash and cash equivalents exclude cash held by consolidated VIEs and consolidated VREs, and investment securities exclude noncontrolling interests as these assets are not available for general corporate purposes.

Investment securities held by us represent seeded investment products (exclusive of noncontrolling interests), investments related to deferred compensation plans and other less significant investments.

We believe that existing cash and cash from operations should be sufficient to satisfy our short-term capital requirements. Expected short-term uses of cash include ordinary operating expenditures, seed capital investments, interest expense, dividend payments, income tax payments and common stock repurchases. We may also use available cash for other general corporate purposes and acquisitions.

Regulatory Capital

We are subject to regulatory oversight by the SEC, the Financial Industry Regulatory Authority (“FINRA”), the U.S. Commodity Futures Trading Commission (“CFTC”), the Financial Conduct Authority (“FCA”) and other international regulatory bodies. We strive to ensure that we are compliant with our regulatory obligations at all times. Our primary capital requirement relates to the FCA-supervised regulatory group (a sub-group of our company), comprising Janus Henderson (UK) Holdings Limited, all of its subsidiaries and Janus Henderson Investors International Limited (“JHIIL”). JHIIL is included as a connected undertaking to meet the requirements of the Investment Firm Prudential Regime (“IFPR”) for MiFID investment firms (“MIFIDPRU”). The combined capital requirement is £204.2 million (\$248.0 million), resulting in £259.4 million (\$315.0 million) of capital above the requirement as of June 30, 2022, based upon internal calculations and taking into account the effect of dividends related to first quarter 2022 results that were paid in the second quarter 2022. Capital requirements in other jurisdictions are not significant in aggregate. The FCA-supervised regulatory group is also subject to liquidity requirements and holds a sufficient surplus above these requirements.

Short-Term Liquidity and Capital Resources

Common Stock Repurchases

On May 3, 2022, the Board approved a new on-market share buyback program (“2022 Corporate Buyback Program”) pursuant to which we are authorized to repurchase up to \$200.0 million of our common stock on the NYSE and CHESS Depository Interests (“CDIs”) on the Australian Securities Exchange (“ASX”) at any time prior to the date of our 2023 Annual General Meeting of Shareholders. We commenced repurchases under the 2022 Corporate Buyback Program in May 2022, and during the two months ended June 30, 2022, we repurchased 2,129,609 shares of common stock and CDIs for \$55.6 million.

Some of our executives and employees obtain rights to receive our common stock as part of their remuneration arrangements and employee entitlements. We usually satisfy these entitlements by transferring shares of existing common stock that we repurchase on-market for this purpose. We purchased 114,321 shares at an average price of \$28.07 in satisfaction of employee awards and entitlements during the three months ended June 30, 2022.

Dividends

The payment of cash dividends is within the discretion of our Board of Directors and depends on many factors, including our results of operations, financial condition, capital requirements, general business conditions and legal requirements.

Dividends declared and paid during the six months ended June 30, 2022, were as follows:

Dividend per share	Date declared	Dividends paid (in US\$ millions)	Date paid
\$ 0.38	February 2, 2022	\$ 64.3	February 28, 2022
\$ 0.39	May 3, 2022	\$ 65.5	May 31, 2022

On July 27, 2022, our Board of Directors declared a \$0.39 per share dividend for the second quarter 2022. The quarterly dividend will be paid on August 24, 2022, to shareholders of record at the close of business on August 8, 2022.

Long-Term Liquidity and Capital Resources

Expected long-term commitments as of June 30, 2022, include principal and interest payments related to the 2025 Senior Notes and operating and finance lease payments. We expect to fund our long-term commitments with existing cash and cash generated from operations or by accessing capital and credit markets as necessary.

2025 Senior Notes

The 2025 Senior Notes have a principal amount of \$300.0 million, pay interest at 4.875% semiannually on February 1 and August 1 of each year, and mature on August 1, 2025.

Defined Benefit Pension Plan

The latest triennial valuation of our defined benefit pension plan resulted in a surplus of \$2.4 million.

Off-Balance Sheet Arrangements

As of June 30, 2022, we have an \$8.0 million unfunded loan commitment with Intech, which is not reflected in our condensed consolidated financial statements. Refer to Note 2 — Dispositions for further information on the loan commitment.

Other Sources of Liquidity

At June 30, 2022, we had a \$200 million Credit Facility. The Credit Facility includes an option for us to request an increase to our borrowing capacity under the Credit Facility of up to an additional \$50.0 million. The maturity date of the Credit Facility is February 16, 2024. Additionally, as a result of LIBOR's phase-out, our credit facility was amended to incorporate other short-term borrowing rates. Specifically, the SOFR was designated as the successor rate to USD LIBOR and the SONIA was designated as the successor rate to GBP LIBOR.

The Credit Facility may be used for general corporate purposes and bears interest on borrowings outstanding at the relevant interbank offer rate plus a spread.

The Credit Facility contains a financial covenant with respect to leverage. The financing leverage ratio cannot exceed 3.00x EBITDA. At the latest practicable date before the date of this report, we were in compliance with all covenants, and there were no outstanding borrowings under the Credit Facility.

Cash Flows

Cash flow data for the six months ended June 30, 2022 and 2021, was as follows (in millions):

	Six months ended June 30,	
	2022	2021
Cash flows provided by (used for):		
Operating activities	\$ 105.4	\$ 294.8
Investing activities	59.2	(42.9)
Financing activities	(350.7)	(384.5)
Effect of exchange rate changes on cash and cash equivalents	(58.8)	1.8
Net change in cash and cash equivalents	(244.9)	(130.8)
Cash balance at beginning of period	1,118.6	1,108.1
Cash balance at end of period	<u>\$ 873.7</u>	<u>\$ 977.3</u>

Operating Activities

Fluctuations in operating cash flows are attributable to changes in net income and working capital items, which can vary from period to period based on the amount and timing of cash receipts and payments.

Investing Activities

Cash provided by (used for) investing activities for the six months ended June 30, 2022 and 2021, was as follows (in millions):

	Six months ended June 30,	
	2022	2021
Sales (purchases) of investment securities, net	\$ 3.7	\$ (1.5)
Sales (purchases) of investment securities by consolidated seeded investment products, net	24.6	(37.5)
Purchases of property, equipment and software	(7.5)	(1.1)
Cash received (paid) on settled seed capital hedges, net	44.9	(8.0)
Receipt of contingent consideration payments from sale of subsidiaries	—	4.1
JHG long-term note with Intech	(12.0)	—
Proceeds from sale of Intech	5.0	—
Other	0.5	1.1
Cash provided by (used for) investing activities	<u>\$ 59.2</u>	<u>\$ (42.9)</u>

Cash inflows from investing activities were \$59.2 million during the six months ended June 30, 2022, and cash outflows from investing activities were \$42.9 million during the six months ended June 30, 2021. Cash inflows from investing activities during the six months ended June 30, 2022, were primarily due to cash received from the settlement of hedges related to our seed capital hedge program and net sales of investment securities by consolidated seeded investment products. When comparing the six months ended June 30, 2022, to the six months ended June 30, 2021, the change in cash provided by (used for) investing activities was primarily due to increases in net sales of investment securities by consolidated seeded investment products and cash received from the settlement of hedges related to our seed capital hedge program.

Financing Activities

Cash used for financing activities for the six months ended June 30, 2022 and 2021, was as follows (in millions):

	Six months ended June 30,	
	2022	2021
Dividends paid to shareholders	\$ (129.8)	\$ (126.7)
Third-party (purchases) sales in consolidated seeded investment products, net	(25.4)	39.5
Purchase of common stock for stock-based compensation plans	(97.0)	(72.0)
Purchase of common stock from Dai-ichi Life and share buyback program	(98.9)	(230.2)
Proceeds from stock-based compensation plans	2.2	5.5
Other	(1.8)	(0.6)
Cash used for financing activities	<u>\$ (350.7)</u>	<u>\$ (384.5)</u>

Cash outflows from financing activities were \$350.7 million and \$384.5 million during the six months ended June 30, 2022 and 2021, respectively. Cash outflows from financing activities during the six months ended June 30, 2022, were primarily due to dividends paid to shareholders, purchases of common stock related to the share buyback program and for stock-based compensation plans, and net third-party purchases of securities within consolidated seeded investment products. When comparing the six months ended June 30, 2022, to the six months ended June 30, 2021, the change in cash used for financing activities was primarily due to an increase in third-party purchases in consolidated seeded investment products and purchases of common stock for stock-based compensation plans. These increases were primarily offset by the purchase of common stock from Dai-ichi Life, as part of the Dai-ichi Life secondary public offering, which was recognized during the six months ended June 30, 2021.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There were no material changes in our exposure to market risks from that previously reported in our Annual Report on Form 10-K for the year ended December 31, 2021.

Item 4. Controls and Procedures

As of June 30, 2022, our management evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Disclosure controls and procedures are designed by us to ensure that we record, process, summarize and report within the time periods specified in the SEC's rule and forms the information we must disclose in reports that we file with or submit to the SEC. Ali Dibadj, our Chief Executive Officer, and Roger Thompson, our Chief Financial Officer, reviewed and participated in management's evaluation of the disclosure controls and procedures. Based on this evaluation, Mr. Dibadj and Mr. Thompson concluded that as of the date of their evaluation, our disclosure controls and procedures were effective.

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the second quarter of 2022 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

See Part I, Item 1. Financial Statements, Note 15 — Commitments and Contingencies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Common Stock Purchases

On May 3, 2022, the Board approved the 2022 Corporate Buyback Program pursuant to which we are authorized to repurchase up to \$200.0 million of our common stock on the NYSE and CDIs on the ASX at any time prior to the date of our 2023 Annual General Meeting of Shareholders. We commenced repurchases under the 2022 Corporate Buyback Program in May 2022, and during the two months ended June 30, 2022, we repurchased 2,129,609 shares of common stock and CDIs for \$55.6 million.

Some of our executives and employees obtain rights to receive our common stock as part of their remuneration arrangements and employee entitlements. We usually satisfy these entitlements by transferring shares of existing common stock that we repurchase on-market for this purpose ("Share Plans Repurchases"). During the second quarter 2022, we purchased 114,321 shares on-market for \$3.2 million in satisfaction of employee awards and entitlements.

The following is a summary of our common stock repurchases by month during the three months ended June 30, 2022, including repurchases under the 2022 Corporate Buyback Program and Share Plans Repurchases.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced programs	Approximate U.S. dollar value of shares that may yet be purchased under the programs (end of month, in millions)
April 1, 2022, through April 30, 2022	3,065	31.90	—	\$ —
May 1, 2022, through May 31, 2022	933,765	30.23	930,223	\$ 175
June 1, 2022, through June 30, 2022	1,307,100	23.35	1,199,386	\$ 144
Total	2,243,930	\$ 30.65	2,129,609	

Items 3, 4 and 5.

Not applicable.

Item 6. Exhibits***Filed with This Report:***

Exhibit No.	Document	Regulation S-K Item 601(b) Exhibit No.
10.1	<u>Separation and Release Agreement, dated June 15, 2022, between Suzanne Cain and Janus Henderson Investors US LLC*</u>	10
10.2	<u>Janus Henderson Group plc 2022 Deferred Incentive Plan*</u>	10
10.3	<u>Janus Henderson Group plc 2022 Global Employee Stock Purchase Plan*</u>	10
15.1	<u>Letter regarding unaudited interim financial information</u>	15
31.1	<u>Certification of Ali Dibadj, Chief Executive Officer of Registrant</u>	31
31.2	<u>Certification of Roger Thompson, Chief Financial Officer of Registrant</u>	31
32.1	<u>Certification of Ali Dibadj, Chief Executive Officer of Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>	32
32.2	<u>Certification of Roger Thompson, Chief Financial Officer of Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>	32
101.INS	XBRL Instance Document — the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	101
101.SCH	Inline XBRL Taxonomy Extension Schema Document	101
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	101
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	101
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	101
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	101
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document)	104
*Management contract or compensatory plan or agreement.		

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 28, 2022

Janus Henderson Group plc

/s/ Ali Dibadj

Ali Dibadj,
Chief Executive Officer
(Principal Executive Officer)

/s/ Roger Thompson

Roger Thompson,
Chief Financial Officer
(Principal Financial Officer)

/s/ Brennan Hughes

Brennan Hughes,
Chief Accounting Officer and Treasurer
(Principal Accounting Officer)

SEPARATION AND RELEASE AGREEMENT

This Separation and Release Agreement (the “Agreement”) between Suzanne Cain (“you” or “your”) and Janus Henderson Investors US LLC (“Employer” and together with you, “Parties”) sets forth in its entirety the terms and conditions of the Parties’ agreement related to the termination of your employment with Employer.

For purposes of this Agreement, “Employer” includes Janus Henderson Investors US LLC and any company related to Janus Henderson Investors US LLC, in the past or present (including, without limitation Janus Henderson Group plc, Janus Henderson US (Holdings) Inc., and Janus Henderson Distributors US LLC); the past and present officers, directors, employees, attorneys, agents and representatives of any entity within Employer; any present or past employee benefit plan sponsored by any entity within Employer and/or the officers, directors, trustees, administrators, employees, attorneys, agents and representatives of any such plan; and any person who acted on behalf of any entity within Employer or on instruction from any entity within Employer.

1. **Termination Date and Role.** You will be leaving Employer effective July 15, 2022 (the “Termination Date”). All communications regarding the separation by either Party, with the exception of those required by law or regulation, shall take the form of, or be materially consistent with a statement reviewed by you and Employer (“Statement”), a copy of which will be attached hereto as Exhibit B upon effectiveness of this Agreement.

- a. Until the Termination Date, you will continue to serve as Global Head of Distribution, with duties, authorities and responsibilities commensurate with such title and/or as may reasonably be assigned to you by the Chief Executive Officer or Interim Chief Executive Officer, or such other person as designated by Employer. Until the Termination Date, and excluding any periods of disability, vacation and sick leave to which you are entitled, you agree to devote your attention and time during normal business hours to the business and affairs of Employer as reasonably directed or specified by Employer, and to use your reasonable best efforts to perform such responsibilities to the extent necessary to discharge your responsibilities hereunder.
- b. You and Employer acknowledge and agree many of your principal responsibilities may be transferred to other Employer employees, and that, therefore, your day-to-day job functions may change substantially as the period progresses until the Termination Date. You and Employer also acknowledge and agree that while you will remain a member of Employer’s senior executive team and in that capacity will be required and expected to perform only executive level job functions, it may be inappropriate or unnecessary to include you in all executive team meetings that Employer may conduct.
- c. As of the Termination Date, you shall be deemed to have resigned from all positions with Employer, with any fund or account managed by Employer, and all affiliates thereof, including without limitation, employment, directorships, non-executive roles, officers and committee memberships. You agree to take all actions deemed

reasonably necessary by Employer to effectuate or evidence such resignations. Thereafter, you shall not be deemed an employee of Employer or any affiliate or fund, and except as provided in this Agreement shall not be entitled to participate in any Employer benefit program of any kind.

2. **Payments and Benefits.** Regular wages and benefits earned through the Termination Date will be paid in accordance with Employer's normal payroll processes and subject to state reporting and tax withholding requirements as determined by Employer. You are entitled to no extra or extraordinary wages, other wages, commissions, vacation pay, sick pay, bonuses, benefits or other compensation. Payment of all sums specified in this Agreement will constitute full payment of all amounts owed by Employer to you. In consideration of your release and waiver and other agreements as set forth in this Agreement, Employer also agrees to pay to you or provide you with the following:
 - a. Employer shall pay/grant you a 2022 bonus award ("2022 Award") of One Million, Three Hundred Sixty-Five Thousand Dollars and Zero Cents (\$1,365,000), less all tax deductions and withholdings required by federal and state law as determined by Employer. This 2022 Award was calculated pro rata for the period January 1, 2022 through July 15, 2022, and determined in accordance with normal business practice, adjusted up or down taking into consideration firm, department, and individual performance. This 2022 Award will be subject to mandatory deferral under the terms of the Employer's current deferral scheme and will be delivered in the form of restricted stock units in Janus Henderson Group plc and mutual fund units. This payment is subject to receipt of your executed Supplemental Release and your continued employment with Employer through the Termination Date. This amount will be paid irrespective of whether you find other employment, following the Effective Date (defined below) of this Agreement. The cash portion of the 2022 Award will be paid by direct deposit to your bank account and the deferred portion added to your deferred account, as soon as administratively possible after expiration of the 7-day period described in the attached Supplemental Release at paragraph 7. The payment of this amount is contingent on you having complied with this Agreement.
 - b. Upon providing the Employer with verification of you and your dependents enrollment in the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), the Employer will establish a COBRA subsidy to directly pay the monthly cost on your behalf for up to 12 months following your Termination Date, provided such payments are permitted by law. In the event that you are no longer covered by COBRA during the 12 months following your Termination Date, the Employer will terminate any remaining subsidy payments. You are responsible for any payment of taxes, interest and/or penalty resulting from this subsidy.
 - c. Employer will make available to you six (6) months of outplacement assistance through Lee Hecht Harrison. In order to receive these services, you must initiate use of the services within thirty (30) calendar days of your Termination Date. More information on this service will be provided upon request.

You acknowledge that the foregoing payments and benefits, set forth in the subparagraph(s) above are more than you might otherwise have received had you not signed this Agreement. You acknowledge and agree that these payments and benefits constitute adequate legal consideration for the promises and representations made by you in this Agreement.

3. **Long Term Incentive Awards.** Unless otherwise provided for in your respective DIP Fund Awards, Mutual Fund Unit Awards, DIP Share Unit Awards, Restricted Stock Unit Awards, and Restricted Stock Awards (collectively, the “Awards”), all Awards which are outstanding as of your Termination Date shall continue to vest in accordance with the schedules set forth in the respective award agreements related to the termination of employment, subject to your complying with the terms of those award agreements.
4. **Janus 401(k), Profit Sharing and Employee Stock Ownership Plan.** This Agreement shall not diminish or otherwise affect your vested rights under the Janus Capital Group 401(k), Profit Sharing and Employee Stock Ownership Plan (the “Plan”). The Parties expressly agree that after the Termination Date, no Employer Entity shall make any contribution on your behalf to the Plan, excepting only such contributions as are expressly required by the terms of the Plan.
5. **Expense Reimbursement.** Employer shall reimburse you for your reasonable and authorized business expenses related to your employment with Employer through the Termination Date, consistent with Employer’s policies, and conditioned on your presentation to Employer, before the Effective Date (defined below), of documentation verifying such expenses.
6. **Taxes.** You agree that it shall be your exclusive obligation to pay all amounts, if any, that may be determined to be due and owing by you as taxes, interest and penalties arising out of the payments and benefits set forth in paragraphs 2 and 3 above. You shall defend and indemnify Employer from and against any claim (including legal fees and costs) for tax liability that Employer may incur as a result of taxes owed by you, as a result of consideration provided to you pursuant to paragraph 2 of this Agreement. This provision does not extend to any deductions and withholdings required by law to be made by Employer. Vesting of the deferred portion of the 2022 Award will be reported on applicable federal and state Forms W-2 and will be paid in accordance with Employer’s normal payroll processes and state reporting requirements as determined by Employer.
7. **References.** In response to requests for references from prospective employers, Employer will provide only the dates of your employment and positions held and may refer parties to public statements made in accordance with the Statement.
8. **Consideration for Payments and Benefits.** In consideration for the payments and benefits described in paragraph 2, you agree to the following:
 - a. **Assent and Release:**
 - i. You agree that you have entered into this Agreement on a purely voluntary basis, you understand it, and, in consideration for the provision of the payments and benefits described in paragraph 2, you further agree to, and do hereby, release Employer together with its respective present or former members, managers, officers, directors, employees, owners, parent companies, subsidiaries, representatives, insurers, successors, assigns, counsel,

shareholders and agents (each an “Employer Party”), from any and all claims, lawsuits, damages and/or liabilities whatsoever (including, but not limited to, claims of employment discrimination under federal, state or local laws, rules, regulations or executive orders) arising out of or in connection with your employment relationship with Employer and/or the conclusion of said relationship or otherwise. The agreements set forth in this paragraph are effective, and the Agreement itself is effective, as of the date which is eight (8) days after you sign this Agreement, provided this Agreement has not been revoked by you as of that time (the “Effective Date”).

- ii. You expressly acknowledge and agree that, by entering into this Agreement, you are waiving any and all rights or claims that you may have arising under the Age Discrimination in Employment Act of 1967, the Older Workers Benefits Protection Act of 1990, the Americans with Disabilities Act of 1990, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, as amended, the Civil Rights Acts of 1866 and 1871, as amended, the Equal Pay Act, the Family and Medical Leave Act, the Occupational Safety and Health Act, the Federal False Claims Act, the Employee Retirement Income Security Act (ERISA), the Worker Adjustment and Retraining Notification Act, the Colorado Anti-Discrimination Act, the Colorado Civil Rights Act, the Colorado Labor Peace Act, and the common law of the State of Colorado, for compensation, damages, tort, breach of express or implied employment contract, breach of an express or implied covenant of good faith and fair dealing, discrimination, harassment, wrongful discharge, intentional infliction of emotional distress, invasion of privacy, attorneys’ fees, defamation or injuries incurred on the job or incurred as a result of loss of employment, or any other claim as of the date you execute this Agreement. The agreements set forth in this paragraph are effective upon the Effective Date.
- iii. You acknowledge that, by signing this Agreement, you are releasing and waiving, among other things, claims which you do not know or suspect to exist through the date of your execution of this Agreement, including claims, which if known by you, might have affected your decision to enter into this Agreement. You are not waiving any rights to claims that may arise after the date this Agreement is executed.
- iv. This Agreement shall not be construed to waive or release your rights under Employer’s employee benefit plans applicable to you as of the Termination Date, nor shall this Agreement and Release be construed to waive any rights you may have to apply for and collect unemployment benefits.
- v. This Agreement shall not be construed to waive or release any coverage under insurance policies covering Employer and any parent company, affiliate or subsidiary of Employer, for claims against company officers or employees of Employer and any parent company, affiliate or subsidiary of Employer during your period of employment. Your coverage under these insurance policies will

extend to any future claims relating to your employment prior to your Termination Date.

- vi. You agree and acknowledge that you will not be entitled to any monetary or equitable relief or remedies pursuant to any claims referenced or released by this paragraph 8. If you or an attorney acting on your behalf files any civil action in any court or files any charge or complaint with an administrative agency, asserting any claims against Employer or any Employer Party, and seeking personal relief or remedies for you, this Agreement may be used by Employer or any Employer Party as a complete defense to your claims and the personal relief or remedies. You shall be obligated to pay all costs, expenses, and attorney fees incurred by Employer or any Employer Party in defending against your claims in any such court action or agency, and tender back any monies paid pursuant to this Agreement. Nothing in this Agreement shall prohibit either Party from bringing an action to enforce this Agreement or prohibit you from filing a timely charge or complaint with the U.S. Equal Employment Opportunity Commission ("EEOC") or participating in any investigation or proceeding conducted by the EEOC, although by signing this Agreement you waive and relinquish any right to personal recovery of any type or personal injunctive relief in connection with any such charge or complaint.

b. **Additional Acknowledgements.** You further expressly acknowledge and agree that:

- i. You have no current entitlement to the payments and benefits described in paragraph 2 of this Agreement, and therefore, in exchange for waiving and releasing any claims or rights under the Age Discrimination in Employment Act and/or other statutes, laws, rules or executive orders described in this Agreement, you will receive compensation and benefits beyond that which you were entitled to receive before entering into this Agreement.
- ii. To the extent permitted by law and except with respect to your attorney, your financial advisor, or your spouse, as noted in paragraph 11 below, you will keep all terms of this Agreement confidential.
- iii. You hereby are advised by Employer in writing to consult with an attorney before signing this Agreement.
- iv. You have 21 days from the receipt of this Agreement to decide whether to agree to it. To accept the Agreement, you must sign it and return it to Tiphani Krueger, HR, Janus Henderson Investors, 151 Detroit Street, Denver, CO 80206 by close of business on the 21st day after you received this Agreement. If Employer has not received a signed Agreement by that time, any offer herein to make the payments and provide the benefits described in paragraph 2 will automatically expire and no longer be available to you. By executing, dating and returning this Agreement to Employer prior to the end of the 21-day period, you will be voluntarily waiving this 21-day review period. You also agree that changes in this Agreement will not restart the running of the 21-day period.

- v. You have seven (7) days after signing this Agreement to revoke it. The release agreed to in this Agreement will not be effective until the 7-day period has expired, and the payments and benefits described in paragraph 2 will not be paid until expiration of the 7-day period following execution and effectiveness of the Supplemental Release. To revoke this Agreement, you must provide written notice of revocation to Tiphani Krueger, HR, Janus Henderson Investors, 151 Detroit Street, Denver, CO 80206, no later than close of business on the seventh day after you sign this Agreement. If you revoke this Agreement, it will not become effective or enforceable and you will not receive the payments and benefits described in paragraph 2.
- vi. Reaffirmation. You and Employer agree to execute the attached Supplemental Release on or within twenty-one days after the Termination Date in order to extend and reaffirm the promises and covenants made by you in this Agreement, including but not limited to the waiver and release of all claims. If you fail to execute the Supplemental Release on or within twenty-one days after the Termination Date or if you timely revoke the acceptance of the Supplemental Release, you shall not receive the payment and benefits set forth in paragraph 2.
9. **No Claims Filed; Government Agency Claims Exception.** You hereby warrant, to the maximum extent permitted by law, that you have not filed any charge, claim, or complaint of any kind against Employer or any Employer Party. You understand that, because you are waiving and releasing all claims for monetary damages and any other form of personal relief, you are not entitled to any such monetary or equitable damages or other form of personal relief for any of the claims identified above and waived in this Agreement, except as set forth in paragraph 2. However, nothing in this Agreement shall be construed to prohibit you from reporting conduct to, providing truthful information to or participating in any investigation or proceeding conducted by any federal or state government agency or self-regulatory organization.
10. **No Claims Assigned.** By signing this Agreement, you warrant that you have not assigned or transferred to any person any portion of any claims which are released, waived and discharged in paragraph 8.
11. **Confidentiality.** Until such time as this Agreement is publicly available by Employer pursuant to regulation, you will not disclose, directly or indirectly, this Agreement or any of its terms or provisions, to any third party, the only exceptions being disclosures, discussions, publications or communications (a) specifically ordered by a court, agency or other governmental authority, including in response to a validly issued subpoena; (b) by you to your attorney or financial advisor for purposes of obtaining professional advice (the restrictions stated in this paragraph shall automatically apply to your attorney and/or financial advisor, and you shall so advise your attorney and/or financial advisor); (c) by you to your spouse (the restrictions stated in this paragraph shall automatically apply to your spouse, and you shall so advise your spouse), or (d) as required by law or regulation. Employer shall be entitled to equitable and legal remedies, including a damage award and an award of attorney fees against you, in the event of a breach of this paragraph 11. If you violate this paragraph 11, the actual damages suffered by Employer

would be difficult to ascertain. Therefore, if you violate paragraph 11, you shall be liable to Employer for liquidated damages, not a penalty, in the amount of \$25,000 for each violation.

12. **Non-Disclosure.** You agree that, at all times from the date of this Agreement, you will hold and treat as confidential any and all Confidential Information provided to you by or which you obtained from Employer or any person or entity affiliated with Employer during your employment regarding any aspect of the business of Employer or any entity affiliated with Employer.

“Confidential Information” means any proprietary information of any kind that it is marked or identified as confidential or is disclosed under circumstances that would lead a reasonable person to believe such information is confidential and that is related to the business of Employer or any entity affiliated with Employer and that derives independent economic value from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, and is subject to efforts by Employer that are reasonable under the circumstances to maintain its secrecy, including but not limited to Employer’s trade secrets. Examples of Confidential Information include, but are not limited to, (1) inventions, discoveries, concepts and ideas (whether patentable or not) relating to the markets, products and services or potential markets, products and services of Employer; (2) the terms of any agreements, draft agreements or other legal documents including this Agreement; (3) information concerning employees, including salary information; (4) technological information related to Employer’s markets, products and services, including but not limited to business processes; (5) Employer’s software and computer programs and interface programs and improvements thereto and access codes and passwords, electronic codes or other coding; (6) Employer’s technology, research, trade secrets, and know-how; (7) Employer’s sales techniques, product development, projections, sales records, contract terms, business plans, sales tools, and product and service pricing information; (8) Employer’s customer lists or names and addresses and other information concerning customers and potential customers, including information concerning customer requirements or preferences, customer contacts and decision-makers and decision-making processes, customer budgeting processes, customer business processes and information processing techniques, customer marketing strategies and business plans; (9) Employer’s marketing strategies, product and market development strategies, strategic business plans and market information; and (10) financial analysis, financial data and reports, financial projections, profits, margins, and all other financial information.

Notwithstanding the foregoing, “Confidential Information” does not include information that: (i) was publicly available or in the public domain at the time disclosed; (ii) was or became publicly available or entered the public domain through no fault or action by you; (iii) was rightfully communicated to you by persons not bound by confidentiality obligations with respect thereto; (iv) was already in your possession free of any confidentiality obligations with respect thereto at the time of disclosure; (v) was independently developed by you without access to the Confidential Information; (vi) was – or is – approved for release or disclosure by Employer in writing without restriction, or (vii) is provided in accordance with the Government Agency Claims Exception set forth above in paragraph 9.

13. **Non-Solicitation.** You acknowledge that your role as a senior executive of Employer creates a relationship of confidence and trust between you and Employer, any parent company, affiliate or subsidiary (each, a “Janus Entity” and collectively, the “Janus Entities”), with respect to confidential and proprietary information applicable to the business of the Janus Entities and their clients. You further acknowledge the highly competitive nature of the business of the Janus Entities. To protect Employer’s trade secrets and Confidential Information, for a period of twelve (12) months following the Termination Date, you shall not, without Employer’s prior written consent, for any reason, directly or indirectly, either alone or jointly with or on behalf of any other person, firm or company (i) solicit the services of, hire, or endeavor to entice away from a Janus Entity for which you worked in the period of 12 months prior to the Termination Date, any director, employee or consultant of the Janus Entity with whom you worked or had dealings during the course of your employment; or (ii) solicit, canvass, approach or accept any approach from any Customer of a Janus Entity with a view to obtain their custom or supply for a Competitor. For purposes of this paragraph, “Customer” means any person, firm or company which at or within a period of two years prior to the Termination Date has done business with a Janus Entity as a customer, client or supplier, or which the Janus Entity is or was in the process of negotiating with a view to such person, firm or company becoming a customer, client or supplier, and with whom you worked or had dealings with in the course of your employment and with whom or which you first had contact or otherwise developed a relationship while employed by Employer; and “Competitor” means an actual or prospective competitor of any business carried on by the Janus Entity in which you worked at any time during the period of one year prior to the Termination Date and with whom or which you first had contact or otherwise developed a relationship while employed by Employer.
14. **Non-Disparagement.** You shall not criticize, denigrate or otherwise disparage Employer or any Employer Party. If you violate this paragraph 14, the actual damages suffered by Employer would be difficult to ascertain. Therefore, if you violate paragraph 14, you shall be liable to Employer for liquidated damages, not a penalty, in the amount of \$25,000 for each violation. However, nothing in this Agreement shall be construed to prohibit you or Employer from reporting conduct to, providing truthful information to or participating in any investigation or proceeding conducted by any federal or state government agency or self-regulatory organization.
15. **Employer Property.** You agree that, except with the written consent of Employer, you have returned or will immediately return all Employer property in your possession and control, including all keys, access cards, policy and procedures manuals, software, computers, tablets, hardware, cell phones, disks, files, electronic files or other materials (including, without limitation, those documents, electronic files or other materials that Employer or an Employer Party has designated as confidential, proprietary or privileged, or which by their nature should be recognized as such). If you later learn that you have any Employer property, you agree that you will promptly notify Employer and make arrangements to immediately return all such property, except as allowed with Employer’s written consent. Failure to timely return property belonging to Employer may cause Employer to offset the value of such property or the costs of replacing such property against any remaining payments to which you are otherwise entitled under this Agreement.

16. **Cooperation with Litigation or Other Legal Matters.** You acknowledge that you may have factual information or knowledge that may be useful to Employer in connection with current or future legal, regulatory or administrative proceedings. You will cooperate to a reasonable extent with Employer in the defense or prosecution of any such claims. Your cooperation shall include being reasonably available to meet with counsel to prepare for discovery or trial and to testify truthfully as a witness. Employer will not compensate you for testifying as a fact witness, but it may reimburse you for reasonable expenses associated with travel, meals, lodging, or other out-of-pocket expenses.
17. **Injunctive and Other Relief.** You agree and acknowledge that any violation of any provision of paragraphs 8-14 of this Agreement shall constitute a material breach of this Agreement that will cause irreparable harm to Employer. Therefore, you agree that any such breach or threatened breach by you shall give Employer the right to specific performance through injunctive relief, without the need for Employer to prove irreparable harm, requiring you to comply with your obligations under this Agreement in addition to any other relief or damages allowed by law. In addition, if Employer has reason to seek injunctive or other legal relief to enforce any provision of paragraphs 8-14, it may suspend any payments or other consideration otherwise payable to you at that time and may seek recovery of any payments or other consideration already paid to you. Any suspension of the payments or other consideration to be paid, or any recovery of paid payments or other paid consideration, shall not void your release of claims under this Agreement, which shall remain in full force and effect.
18. **Severability.** If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provisions or application, and to this end the provisions of this Agreement are declared to be severable. The Parties agree that any such invalid provision may be modified by an arbitrator or court in such a manner as to be enforced to the maximum extent possible to effectuate the intentions of the Parties hereto. However, should a court of competent jurisdiction declare the waiver and release of claims contained herein to be invalid or unenforceable, you agree to execute a valid waiver and release of claims or to return in full within 10 days of such declaration all payments and benefits provided to you pursuant to paragraph 2, at Employer's election.
19. **Colorado Laws and Jurisdiction; Dispute Forum.** This Agreement shall be construed in accordance with the laws of the State of Colorado, without regard to its conflict of laws rules. Any and all claims, disputes, or controversies between you and Employer or any and all Employer Parties or Janus Entities, including but not limited to those arising out of or related to this Agreement, shall be tried only in the state or federal courts situated in the Denver, Colorado metropolitan area. Such claims, disputes or controversies shall be tried to a court without a jury.
20. **No Waiver of Breach.** No waiver of any breach of any term or provision of this Agreement shall be binding unless in writing and signed by the Party waiving the breach. No waiver of any breach of any term or provision of this Agreement shall be construed to be, nor shall be, a waiver of any other breach of this Agreement.

21. **Knowing and Voluntary.** You have carefully read and fully understand all of the provisions of this Agreement. You knowingly and voluntarily entered into this Agreement.
22. **Further Assurances.** The Parties agree to cooperate fully and to execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force to the terms of this Agreement.
23. **Entirety.** This Agreement embodies the entire agreement and understanding between the Parties and, unless stated otherwise, supersedes all prior agreements and understandings related to the subject matter hereof. No amendment to this Agreement will be effective unless it is in writing and signed by both Parties.
24. **Not an Admission.** Nothing contained in this Agreement is intended to be, or shall be construed to be, an admission of any liability by any Party or an admission of the existence of any facts upon which liability could be based.
25. **Interpretation of Agreement; Headings.** The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against either. The descriptive headings in this Agreement are for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.
26. **Execution in Counterparts.** This Agreement may be signed in multiple counterparts, each of which shall be deemed to be an original for all purposes.

[Signatures on following page.]

If this Agreement is satisfactory to you, please so signify by signing in the place provided below and return all original pages to Employer, attention Tiphani Krueger. If you do not revoke this Agreement as set forth in paragraph 8, then it will be deemed effective immediately after the revocation period expires, after which a fully-executed copy of this Agreement will be delivered to you.

By: _____
Name: Tiphani Krueger
Title: Global Head of Human Resources
Date: June 15, 2022

I ACKNOWLEDGE THAT I HAVE READ THIS AGREEMENT, THAT I HAVE BEEN ADVISED THAT I SHOULD CONSULT WITH AN ATTORNEY BEFORE I EXECUTE THIS AGREEMENT, AND THAT I UNDERSTAND ALL OF ITS TERMS, INCLUDING THOSE TERMS THAT CAUSE A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS INCLUDING THOSE PURSUANT TO THE AGE DISCRIMINATION IN EMPLOYMENT ACT, AS AMENDED, AND OTHER LAWS PROHIBITING DISCRIMINATION IN EMPLOYMENT AND THAT I EXECUTE THIS AGREEMENT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS SIGNIFICANCE AND THE CONSEQUENCES THEREOF.

Signed this 15th day of June, 2022 by:

Suzanne Cain

EXHIBIT A

Supplemental Release

This Supplemental Release ("**Supplemental Release**") is between Janus Henderson Investors US LLC (the "**Employer**") and Suzanne Cain ("you") (each a "**Party**," and together, the "**Parties**").

Recitals

You and Employer are Parties to a Separation and Release Agreement to which this Supplemental Release is appended as Exhibit A and is incorporated herein by reference (the "**Separation Agreement**").

You wish to receive the payment and benefits described in paragraph 2 of the Separation Agreement (the "Package") and therefore must sign this Supplemental Release after the Termination Date.

You and Employer wish to resolve, except as specifically set forth herein, all claims between you arising from or relating to any act or omission predating the Effective Date defined below.

Agreement

The Parties agree as follows:

1. After the Effective Date of the Supplemental Release, as defined in paragraph 7 below, Employer shall pay or provide to you the entire Package, as, when and on the terms and conditions specified in the Separation Agreement, if not otherwise paid in accordance with the Separation Agreement.

2. In consideration of the Package and Employer's other covenants and agreements contained herein, you, on your own behalf and on behalf of your heirs, personal representatives, executors, administrators and assigns, knowingly and voluntarily release and forever discharge Employer and its affiliates and any of their respective parents, subsidiaries and affiliates, together with all of their respective past and present directors, members, managers, officers, shareholders, partners, employees, agents, attorneys and servants, and each of their affiliates, predecessors, successors and assigns (collectively, the "**Employer Releasees**") from any and all claims, charges, complaints, promises, agreements, controversies, liens, demands, causes of action, obligations, damages and liabilities of any nature whatsoever, known or unknown, suspected or unsuspected, which against them you or your heirs, executors, administrators, or assigns ever had, now have, or may hereafter claim to have against any of Employer Releasees by reason of any matter, cause or thing whatsoever from the beginning of time through the date hereof, whether or not previously asserted before any state or federal court, agency or governmental entity or any arbitral body. This release includes, without limitation, any rights or claims relating in any way to your employment relationship with Employer or any of Employer Releasees, or your separation therefrom, or arising

under any statute or regulation, including Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, Age Discrimination in Employment Act of 1967 ("ADEA"), the Americans with Disabilities Act of 1990, the Employee Retirement Income Security Act of 1974, and the Family Medical Leave Act of 1993, each as amended, or any other federal, state or local law, regulation, ordinance, or common law, or under any policy, agreement, understanding or promise, written or oral, formal or informal, between you and Employer or any of Employer Releasees; provided, however, that notwithstanding the foregoing or anything else contained in this Supplemental Release, your release shall not extend to (i) any rights arising under the Separation Agreement; (ii) any benefits or claims for benefits under any benefit plans that you were participating in as of the Termination Date and accrued as of the date hereof; (iii) any right to benefits under Employer's 401(k) Plan; (iv) any rights arising under COBRA; and (v) any coverage under insurance policies covering Employer and any parent company, affiliate or subsidiary of Employer, for claims against company officers or employees of Employer and any parent company, affiliate or subsidiary of Employer during your period of employment. You represent that you have not commenced or joined in any claim, charge, action or proceeding whatsoever against Employer or any of Employer Releasees arising out of or relating to any of the matters released in this paragraph 2. You further agree that you will not seek or be entitled to any personal recovery in any claim, charge, action or proceeding whatsoever against Employer or any of Employer Releasees for any of the matters released in this paragraph 2.

3. You acknowledge that you have received all compensation to which you are entitled for your work up to your last day of employment with Employer, and that you are not entitled to any further pay or benefit of any kind, for services rendered or any other reason, other than the Package and as provided in paragraph 3 of the Separation Agreement.

4. You agree that the only thing of value that you will receive by signing this Supplemental Release is the Package.

5. The Parties agree that their respective rights and obligations under the Separation Agreement shall survive the execution of this Supplemental Release.

6. You acknowledge and agree that (a) you have read and understand the terms of this Supplemental Release; (b) you have been advised to consult with an attorney; (c) that you have obtained and considered such legal counsel as you deem necessary; (d) that you have been given twenty-one (21) days to consider whether or not to sign this Supplemental Release (although you may elect not to use the full 21-day period at your option); and (e) that by signing this Supplemental Release, you acknowledge that you do so freely, knowingly, and voluntarily.

7. The Parties agree that this Supplemental Release shall not become effective or enforceable until the eighth day after you sign this Supplemental Release. In other words, you may revoke your acceptance of this Supplemental Release within 7 days after you sign it. Your revocation must be in writing and received by Tiphani Krueger, HR, Janus Henderson Investors, 151 Detroit Street, Denver, Colorado 80206 on or before the seventh day after it is signed to be effective. If you do not revoke your acceptance on or before that date, your acceptance of this

Supplemental Release shall become binding and enforceable on the eighth day (“**Effective Date of the Supplemental Release**”).

[SIGNATURES FOLLOW]

JANUS HENDERSON INVESTORS US LLC

By: _____

Suzanne Cain

Date: _____

Date: _____

**JANUS HENDERSON GROUP PLC
2022 DEFERRED INCENTIVE PLAN**

(effective May 4, 2022)

ARTICLE 1

HISTORY, EFFECTIVE DATE, OBJECTIVES AND DURATION

(1) *Overview.* The name of the Plan, established and maintained by Janus Henderson Group plc (the “*Company*”) is the Janus Henderson Group plc 2022 Deferred Incentive Plan (as may be amended from time to time, the “*Plan*”). The Plan became effective on May 4, 2022, the date it was approved by the shareholders of the Company (the “*Effective Date*”).

(2) *Objectives of the Plan.* The Plan is intended to allow employees, directors and consultants of the Company and its Subsidiaries to acquire or increase equity ownership in the Company, thereby strengthening their commitment to the success of the Company and stimulating their efforts on behalf of the Company, and to assist the Company and its Subsidiaries in attracting new employees, directors and consultants and retaining existing employees, directors and consultants. The Plan also is intended to optimize the profitability and growth of the Company through incentives which are consistent with the Company’s goals; to provide employees, directors and consultants with an incentive for excellence in individual performance; and to promote teamwork among employees, directors and consultants.

(3) *Duration of the Plan.* The Plan shall commence on the Effective Date and shall remain in effect, subject to the right of the Board to amend or terminate the Plan at any time pursuant to Article 13 hereof, until the earlier of (a) all Shares subject to the Plan have been purchased or acquired according to the Plan’s provisions or (b) the tenth anniversary of the Effective Date. No Awards shall be granted under the Plan after such termination date.

ARTICLE 2

DEFINITIONS

Whenever used in the Plan, the following terms shall have the meanings set forth below:

“*Article*” means an Article of the Plan.

“*Award*” means Options (including Incentive Stock Options), Restricted Shares (awarded as Shares or Share Units), stock appreciation rights (SARs), Shares or Other Awards granted under the Plan.

“*Award Agreement*” means the written agreement by which an Award shall be evidenced.

“*Board*” means the board of directors of the Company.

“*Cause*” shall have the meaning set forth in a Grantee’s Award Agreement, or if not defined therein, the meaning set forth in the Grantee’s individual employment or services agreement between the Grantee and the Company or a Subsidiary, or if the Grantee is not a party to an employment or services agreement in which Cause is defined, as follows:

(a) a Grantee’s commission of a crime which, in the judgment of the Plan Committee, resulted or is likely to result in damage or injury to the Company or a Subsidiary;

(b) the material violation by the Grantee of written policies of the Company or a Subsidiary;

(c) the habitual neglect or failure by the Grantee in the performance of his or her duties to the Company or a Subsidiary (but only if such neglect or failure is not remedied within a reasonable remedial period after Grantee's receipt of written notice from the Company which describes such neglect or failure in reasonable detail and specifies the remedial period); or

(d) action or inaction by the Grantee in connection with his or her duties to the Company or a Subsidiary resulting, in the judgment of the Plan Committee, in material injury to the Company or a Subsidiary.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and regulations and rulings thereunder. References to a particular section of the Code include references to successor provisions of the Code or any successor code.

"Common Stock" means an ordinary share, \$1.50 par value, of the Company.

"Company" has the meaning set forth in Section 1.1, and shall include the Company's permitted successors and assigns.

"Disability" means, unless otherwise defined in the Award Agreement, that a Grantee (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Company or a Subsidiary of the Company.

"Disqualifying Disposition" has the meaning set forth in Section 6.4.

"Dividend Equivalents" has the meaning set forth in Section 12.3.

"Effective Date" shall have the meaning set forth in Section 1.1.

"Eligible Person" means (i) any employee (including any officer) of the Company or any Subsidiary, including any such employee who is on an approved leave of absence, layoff, or has been subject to a disability which does not qualify as a Disability, (ii) any director of the Company or any Subsidiary and (iii) any person performing services for the Company or a Subsidiary in the capacity of a consultant or otherwise.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time. References to a particular section of the Exchange Act include references to successor provisions.

"Fair Market Value" means (A) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Plan Committee, and (B) with respect to Shares, unless otherwise determined by the Plan Committee, as of any date, (i) the average of the high and low trading prices on the date of determination on the New York Stock Exchange (or, if no sale of Shares was reported for such date, on the next succeeding date on which a sale of Shares was reported); (ii) if the Shares are not listed on the New York Stock Exchange, the average of the high and low trading prices of the Shares on such other national exchange on which the Shares are principally traded or as reported by the National Market System, or similar organization, or if no such quotations are available, the average of the high bid and low asked quotations in the over-the-counter market as reported by the National Quotation Bureau Incorporated or similar organizations; or (iii) in the event that there shall be no public market for the Shares, the fair market value of the Shares as determined by the Plan Committee.

"Freestanding SAR" means a SAR that is granted independently of any other Award.

"Grant Date" has the meaning set forth in Section 5.2.

“*Grantee*” means an individual who has been granted an Award.

“*Incentive Stock Option*” means an option granted under Article 6 of the Plan that is intended to meet the requirements of Section 422 of the Code or any successor provisions thereto.

“*including*” or “*includes*” means “including, without limitation,” or “includes, without limitation,” respectively.

“*Management Committee*” has the meaning set forth in Article 3.

“*Option*” means an option granted under Article 6 of the Plan.

“*Other Awards*” means an Award granted under Article 9 of the Plan, including fund units or cash awards earned upon the attainment of performance goals or otherwise as permitted under the Plan.

“*Performance Measures*” means the criteria and objectives, determined by the Plan Committee, which must be met during the applicable Performance Period as a condition of the Grantee’s receipt of payment with respect to an Award. Performance measures may include any or all of the following or any combination thereof: (a) stock price; (b) market share; (c) sales (gross or net); (d) asset quality; (e) non-performing assets; (f) earnings per share; (g) return on equity; (h) costs; (i) operating income; (j) net income; (k) marketing-spending efficiency; (l) return on operating assets; (m) return on assets; (n) core non-interest income; (o) fund performance; (p) pre-tax margin; (q) pre-tax income; (r) levels of cost savings; (s) operating margin; (t) flows into Company products (gross or net), (u) earnings, (v) earnings before interest, taxes, depreciation and amortization, (w) improvements in productivity and objective operating goals. Any of the foregoing performance measures may be applied, as determined by the Plan Committee, in respect of the Company or any of its Subsidiaries, affiliates, business units or divisions and/or the Company’s or any of its Subsidiaries, affiliates, business units or divisions worldwide, regional or country specific operations (or any combination of the foregoing) and/or (x) other performance metrics as determined by the Plan Committee. Performance measures shall specify whether they are to be measured relative to budgeted or other internal goals, operations, performance or results of the Company and/or any of its Subsidiaries, affiliates, business units or divisions, or relative to the performance of one or more peer groups of the Company and/or any of its Subsidiaries, affiliates, business units or divisions, with the composition of any such peer groups to be determined by the Plan Committee at the time the performance measure is established. Performance measures may be stated in the alternative or in combination. The Plan Committee shall have the right but not the obligation to make adjustments to a performance measure to take into account any unusual or extraordinary events. In the event that applicable tax and/or securities laws change to permit Plan Committee discretion to alter the governing performance measures without obtaining stockholder approval of such changes, the Plan Committee shall have sole discretion to make such changes without obtaining stockholder approval.

“*Performance Period*” means the time period during which the Performance Measures must be met.

“*Person*” shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13 (d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

“*Plan*” has the meaning set forth in Section 1.1.

“*Plan Committee*” has the meaning set forth in Article 3.

“*Restricted Shares*” means Shares or Share Units that are subject to forfeiture if the Grantee does not satisfy the conditions specified in the Award Agreement applicable to such Shares or Share Units.

“*Rule 16b-3*” means Rule 16b-3 promulgated by the SEC under the Exchange Act, as amended from time to time, together with any successor rule, as in effect from time to time.

“*SAR*” means a stock appreciation right.

“SEC” means the United States Securities and Exchange Commission, or any successor thereto.

“Section” means, unless the context otherwise requires, a Section of the Plan.

“Section 16 Person” means a person who is subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company.

“Share” means a share of Common Stock.

“Share Unit” means a bookkeeping entry representing the equivalent of one share of Common Stock that is payable in the form of Common Stock, cash, or any combination of the foregoing.

“Strike Price” of any SAR shall equal, for any Tandem SAR (whether such Tandem SAR is granted at the same time as or after the grant of the related Option), the option price of such Option, or for any other SAR, 100 percent of the Fair Market Value of a Share on the Grant Date of such SAR; provided that the Plan Committee may specify a higher Strike Price in the Award Agreement.

“Subsidiary” means a United States or foreign corporation or limited liability company, partnership or other similar entity with respect to which the Company owns, directly or indirectly, 50 percent or more of the Voting Power of such corporation, limited liability company, partnership or other similar entity.

“Tandem SAR” means an SAR that is granted in connection with a related Option, the exercise of which shall require cancellation of the right to purchase a Share under the related Option (and when a Share is purchased under the related Option, the Tandem SAR shall similarly be canceled).

“Termination of Affiliation” occurs on the first day on which an individual is for any reason no longer an employee, director or consultant of the Company or any Subsidiary, or with respect to an individual who is an employee or director of, or consultant to, a corporation which is a Subsidiary, the first day on which such corporation ceases to be a Subsidiary; provided, however, that for each Award subject to Section 409A of the Code, a Termination of Affiliation shall be deemed to have occurred under this Plan with respect to such Award on the first day on which an individual has experienced a “separation from service” within the meaning of Section 409A of the Code.

“10% Owner” means a person who owns capital stock (including stock treated as owned under Section 424(d) of the Code) possessing more than 10 percent of the total combined Voting Power of all classes of capital stock of the Company or any Subsidiary.

“Voting Power” means the combined voting power of the then-outstanding securities of a corporation entitled to vote generally in the election of directors.

ARTICLE 3

ADMINISTRATION

(1) *Plan Committee.*

(a) Subject to Article 13 and to Section 3.2, the Plan shall be administered by the Compensation Committee or another committee of the Board appointed by the Board to administer the Plan (the “Plan Committee”). The Plan Committee shall consist of two or more directors of the Company, all of whom qualify as “non-employee directors” (as defined within the meaning of Rule 16b-3). The number of members of the Plan Committee shall from time to time be increased or decreased, and shall be subject to such conditions, in each case as the Board deems appropriate to permit transactions in Shares pursuant to the Plan to satisfy such conditions of Rule 16b-3 as then in effect.

(b) The Plan Committee may appoint and delegate to another committee consisting of one or more persons designated by resolution of the Plan Committee (“*Management Committee*”) any or all of the authority of the Plan Committee, as applicable, with respect to Awards to Grantees other than Grantees who are Section 16 Persons at the time any such delegated authority is exercised.

(2) *Powers of Plan Committee.*

Subject to the express provisions of the Plan, the Plan Committee has full and final authority and sole discretion as follows (except as expressly delegated to the Management Committee):

(a) to determine when, to whom and in what types and amounts Awards should be granted and the terms and conditions applicable to each Award, including the benefit payable under any SAR, and whether or not specific Awards shall be granted in connection with other specific Awards, and if so whether they shall be exercisable cumulatively with, or alternatively to, such other specific Awards;

(b) to determine the amount, if any, that a Grantee shall pay for Restricted Shares, whether to permit or require the payment of cash dividends thereon to be deferred and the terms related thereto, when Restricted Shares (including Restricted Shares acquired upon the exercise of an Option) shall be forfeited and whether such Shares shall be held in escrow;

(c) to construe and interpret the Plan and to make all determinations necessary or advisable for the administration of the Plan;

(d) to make, amend, and rescind rules relating to the Plan, including rules with respect to the exercisability and non-forfeitability of Awards upon the Termination of Affiliation of a Grantee;

(e) to determine the terms and conditions of all Award Agreements (which need not be identical) and, with the consent of the Grantee, to amend any such Award Agreement at any time, among other things, to permit transfers of such Awards to the extent permitted by the Plan; *provided* that the consent of the Grantee shall not be required for any amendment which (i) does not adversely affect the rights of the Grantee, or (ii) is necessary or advisable (as determined by the Plan Committee) to carry out the purpose of the Award as a result of any new or change in existing applicable law;

(f) to cancel, with the consent of the Grantee, outstanding Awards and to grant new Awards in substitution therefore;

(g) to accelerate the exercisability (including exercisability within a period of less than six months after the Grant Date) or the vesting of, and to accelerate or waive any or all of the terms and conditions applicable to, any Award or any group of Awards for any reason and at any time, including in connection with a Termination of Affiliation or any event described in Section 4.2;

(h) subject to Section 5.3, to extend the time during which any Award or group of Awards may be exercised;

(i) to make such adjustments or modifications to Awards to Grantees working outside the United States as are advisable to fulfill the purposes of the Plan or to comply with applicable local law;

(j) to impose such additional terms and conditions upon the grant, exercise or retention of Awards as the Plan Committee may, before or concurrently with the grant thereof, deem appropriate, including limiting the percentage of Awards which may from time to time be exercised by a Grantee; and

(k) to take any other action with respect to any matters relating to the Plan for which it is responsible.

All determinations on all matters relating to the Plan or any Award Agreement may be made in the sole and absolute discretion of the Plan Committee (except as expressly delegated to the Management Committee), and all such determinations of the Plan Committee shall be final, conclusive and binding on all Persons. No member of the Plan Committee shall be liable for any action or determination made with respect to the Plan or any Award.

ARTICLE 4

SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

(1) *Number of Shares Available for Grants.* Subject to adjustment as provided in Section 4.2, the number of Shares hereby reserved for issuance under the Plan shall be 13,000,000, all of which may be granted as Incentive Stock Options (plus an unlimited amount of fund units and other Awards not denominated in Shares). Notwithstanding anything herein to the contrary, all Shares subject to a SAR award that are settled in Shares shall be counted in full against the number of Shares reserved for issuance under the Plan. If any Shares subject to an Award granted hereunder are forfeited, terminated, expired or canceled or such Award otherwise terminates without the issuance of such Shares or of other consideration in lieu of such Shares, the Shares subject to such Award, to the extent of any such forfeiture, termination, expiration or cancellation shall again be available for grant under the Plan (without a charge against the aggregate number of Shares available for issuance hereunder). Notwithstanding the foregoing, Shares surrendered or withheld as payment of either the Strike Price of an Award (including Shares otherwise underlying an Award of a SAR that are retained by the Company to account for the grant price of such SAR) and/or withholding taxes in respect of an Award shall no longer be available for grant under the Plan. The Plan Committee may from time to time determine the appropriate methodology for calculating the number of Shares (i) issued pursuant to the Plan, and (ii) granted to any Grantee pursuant to the Plan. Shares issued pursuant to the Plan may be treasury Shares, newly-issued Shares, Shares issued from a trust or Shares purchased on the market.

(2) *Adjustments in Authorized Shares.* In the event that the Plan Committee determines that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, subdivision, consolidation or reduction of capital, reorganization, merger, split-up, spin-off or combination involving the Company or repurchase or exchange of Shares or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event affects the Shares such that any adjustment is determined by the Plan Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Plan Committee shall, in such manner as it may deem equitable, adjust any or all of (i) the number and type of Shares (or other securities or property) with respect to which Awards may be granted; (ii) the number and type of Shares (or other securities or property) subject to outstanding Awards; and (iii) the grant or exercise price with respect to any Award or, if deemed appropriate, cancel an outstanding Award, in exchange for, if deemed appropriate, a cash payment to the holder of an outstanding Award or the substitution of other property for Shares subject to an outstanding Award; *provided*, in each case that with respect to Awards of Incentive Stock Options no such adjustment shall be authorized to the extent that such adjustment would cause the Plan to violate Section 422(b)(1) of the Code or any successor provision thereto; and *provided further*, that with respect to Options and SARs, such adjustment shall be made in accordance with the provisions of Section 424(h) of the Code; and, *provided further*, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

ARTICLE 5

ELIGIBILITY AND GENERAL CONDITIONS OF AWARDS

(1) *Eligibility.* The Plan Committee may grant Awards to any Eligible Person, whether or not he or she has previously received an Award.

(2) *Grant Date.* The “Grant Date” of an Award shall be the date on which the Plan Committee grants the Award or such later date as specified by the Plan Committee.

(3) *Maximum Term.* Except with respect to an Option Award, the term during which an Award may be outstanding shall under no circumstances extend more than 10 years after the Grant Date, and shall be subject to earlier termination as herein provided.

(4) *Minimum Vesting Period.* Subject to Section 5.7 of the Plan, no Award or portion thereof shall provide for vesting prior to the first anniversary of its date of grant; provided, however, that, notwithstanding the foregoing, Awards that result in the issuance of an aggregate of up to five percent (5%) of Shares available pursuant to Section 4.1 may be granted under the Plan without regard to such minimum vesting provision.

(5) *Award Agreement.* To the extent not set forth in the Plan, the terms and conditions of each Award (which need not be the same for each grant or for each Grantee) shall be set forth in an Award Agreement.

(6) *Restrictions on Share Transferability.* The Plan Committee may impose such restrictions on any Shares acquired pursuant to the exercise or vesting of an Award as it may deem advisable, including restrictions under applicable federal securities laws.

(7) *Termination of Affiliation.* Except as otherwise provided by the Plan Committee, and subject to Section 13.3, the extent to which the Grantee shall have the right to exercise, vest in, or receive payment in respect of an Award following Termination of Affiliation shall be set forth in the applicable Award Agreement.

(8) *Non-transferability of Awards.*

(a) Except as provided in Section 5.8(c) below or as otherwise determined by the Plan Committee, each Award, and each right under any Award, shall be exercisable only by the Grantee during the Grantee's lifetime, or, if permissible under applicable law, by the Grantee's guardian or legal representative.

(b) Except as provided in Section 5.8(c) below or as otherwise determined by the Plan Committee, no Award (prior to the time, if applicable, Shares are issued in respect of such Award), and no right under any Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Grantee otherwise than by will or by the laws of descent and distribution (or in the case of Restricted Shares, to the Company), and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Subsidiary; *provided*, that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(c) To the extent and in the manner permitted by the Plan Committee, and subject to such terms, conditions, restrictions or limitations that may be prescribed by the Plan Committee, a Grantee may transfer an Award (other than an Incentive Stock Option) to (i) a spouse, sibling, parent, child (including an adopted child) or grandchild (any of which, an "*Immediate Family Member*") of the Grantee; (ii) a trust, the primary beneficiaries of which consist exclusively of the Grantee or Immediate Family Members of the Grantee; or (iii) a corporation, partnership or similar entity, the owners of which consist exclusively of the Grantee or Immediate Family Members of the Grantee.

(9) *Cancellation and Rescission of Awards.* Unless the Award Agreement specifies otherwise, the Plan Committee may cancel, rescind, suspend, withhold, or otherwise limit or restrict any unexercised Award at any time if the Grantee is not in compliance with all applicable provisions of the Award Agreement and the Plan or if the Grantee has a Termination of Affiliation for Cause.

ARTICLE 6

STOCK OPTIONS

(1) *Grant of Options.* Subject to the terms and provisions of the Plan, Options may be granted to any Eligible Person in such number, and upon such terms, and at any time and from time to time as shall be determined by the Plan Committee. Without in any manner limiting the generality of the foregoing and in a manner intended to comply with Section 409A of the Code, the Plan Committee may grant to any Eligible Person, or permit any Eligible Person to elect to receive, an Option in lieu of or in substitution for any other compensation (whether payable currently or on a deferred basis, and whether payable under this Plan or otherwise) which such Eligible Person may be eligible to receive from the Company or a Subsidiary.

(2) *Award Agreement.* Each Option grant shall be evidenced by an Award Agreement that shall specify the option price, the option term, the number of Shares to which the Option pertains, the time or times at which such Option shall be exercisable and such other provisions as the Plan Committee shall determine. In no event shall the Option be exercisable for a period of more than seven (7) years from its Grant Date, provided that it may be subject to earlier termination as provided herein or in the applicable Award Agreement.

(3) *Option Price.* The option price of an Option under this Plan shall be determined by the Plan Committee, and shall be equal to or more than 100 percent of the Fair Market Value of a Share on the Grant Date; provided, however, that any Option that is (x) granted to a Grantee in connection with the acquisition (“*Acquisition*”), however effected, by the Company of another corporation or entity (“*Acquired Entity*”) or the assets thereof, (y) associated with an option to purchase shares of stock of the Acquired Entity or an affiliate thereof (“*Acquired Entity Option*”) held by such Grantee immediately prior to such Acquisition, and (z) intended to preserve for the Grantee the economic value of all or a portion of such Acquired Entity Option (“*Substitute Option*”) may, to the extent necessary to achieve such preservation of economic value, be granted with an option price that is less than 100 percent of the Fair Market Value of a Share on the Grant Date, provided that such grant is made in a manner that will not result in the Substitute Option being subject to the requirements of Section 409A of the Code.

(4) *Grant of Incentive Stock Options.* At the time of the grant of any Option, the Plan Committee may designate that such Option shall be made subject to additional restrictions to permit it to qualify as an “incentive stock option” under the requirements of Section 422 of the Code. Any Option designated as an Incentive Stock Option shall (to the extent required by Section 422 of the Code):

(a) if granted to a 10% Owner, have an option price not less than 110 percent of the Fair Market Value of a Share on its Grant Date;

(b) be exercisable for a period of not more than seven (7) years (five years in the case of an Incentive Stock Option granted to a 10% Owner) from its Grant Date, and be subject to earlier termination as provided herein or in the applicable Award Agreement;

(c) not have an aggregate Fair Market Value (as of the Grant Date of each Incentive Stock Option) of the Shares with respect to which Incentive Stock Options (whether granted under the Plan or any other stock option plan of the Grantee’s employer or any parent or Subsidiary thereof (“*Other Plans*”)) are exercisable for the first time by such Grantee during any calendar year, determined in accordance with the provisions of Section 422 of the Code, which exceeds \$100,000 (the “*\$100,000 Limit*”);

(d) if the aggregate Fair Market Value of the Shares (determined on the Grant Date) with respect to the portion of such grant which is exercisable for the first time during any calendar year (“*Current Grant*”) and all Incentive Stock Options previously granted under the Plan and any Other Plans which are exercisable for the first time during the same calendar year (“*Prior Grants*”) would exceed the \$100,000 Limit, be exercisable as follows:

(1) the portion of the Current Grant which would, when added to any Prior Grants, be exercisable with respect to Shares which would have an aggregate Fair Market Value (determined as of the respective Grant Date for such options) in excess of the \$100,000 Limit shall, notwithstanding the terms of the Current Grant, be exercisable for the first time by the Grantee in the first subsequent calendar year or years in which it could be exercisable for the first time by the Grantee when added to all Prior Grants without exceeding the \$100,000 Limit; and

(2) if, viewed as of the date of the Current Grant, any portion of a Current Grant could not be exercised under the preceding provisions of this Section during any calendar year commencing with the calendar year in which it is first exercisable through and including the last calendar year in which it may by its terms be exercised, such portion of the Current Grant shall not be an Incentive Stock Option, but shall be exercisable as an Option which is not an Incentive Stock Option at such date or dates as are provided in the Current Grant;

(e) be granted within ten (10) years from the earlier of the date the Plan is adopted or the date the Plan is approved by the stockholders of the Company; and

(f) by its terms not be assignable or transferable other than by will or the laws of descent and distribution and may be exercised, during the Grantee's lifetime, only by the Grantee; *provided, however*, that the Grantee may, in any manner permitted by the Plan and specified by the Plan Committee, designate in writing a beneficiary to exercise his or her Incentive Stock Option after the Grantee's death.

Any Option designated as an Incentive Stock Option shall also require the Grantee to notify the Plan Committee of any disposition of any Shares issued pursuant to the exercise of the Incentive Stock Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions) (any such circumstance, a "*Disqualifying Disposition*"), within 10 days of such Disqualifying Disposition.

Notwithstanding Section 3.2(e), the Plan Committee may, without the consent of the Grantee, at any time before the exercise of an Option (whether or not an Incentive Stock Option), take any action necessary to prevent such Option from being treated as an Incentive Stock Option.

(5) *Payment.* Options granted under this Article 6 shall be exercised by the delivery of a written notice of exercise to the Company, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares made by any one or more of the following means, subject to the approval of the Plan Committee:

(a) cash, personal check or wire transfer;

(b) Shares, valued at their Fair Market Value on the date of exercise;

(c) Restricted Shares, each such Share valued at the Fair Market Value of a Share on the date of exercise; or

(d) subject to applicable law, pursuant to approved procedures, through the sale of the Shares acquired on exercise of the Option, valued at their Fair Market Value in the date of exercise, sufficient to pay for such Shares, together with, if requested by the Company, the amount of federal, state, local or foreign withholding taxes payable by Grantee by reason of such exercise.

If any Restricted Shares ("*Tendered Restricted Shares*") are used to pay the option price, a number of Shares acquired on exercise of the Option equal to the number of Tendered Restricted Shares shall be subject to the same restrictions as the Tendered Restricted Shares, determined as of the date of exercise of the Option.

ARTICLE 7

STOCK APPRECIATION RIGHTS

(1) *Grant of SARs.* Subject to the terms and conditions of the Plan, SARs may be granted to any Eligible Person at any time and from time to time as shall be determined by the Plan Committee. The Plan Committee may grant Freestanding SARs, Tandem SARs, or any combination thereof. The Plan Committee shall determine the number of SARs granted to each Grantee (subject to Article 4), the Strike Price thereof, and, consistent with Section 7.2 and the other provisions of the Plan, the other terms and conditions pertaining to such SARs. The Strike Price shall be determined by the Plan Committee, and shall be equal to or more than 100 percent of the Fair Market Value of a Share on the Grant Date; provided, however, that any SAR that is (x) granted to a Grantee in connection with an Acquisition, however effected, by the Company of an Acquired Entity or the assets thereof, (y) associated with a stock appreciation right in respect of shares of stock of the Acquired Entity or an affiliate thereof ("*Acquired Entity SAR*") held by such Grantee immediately prior to such Acquisition, and (z) intended to preserve for the Grantee the economic value of all or a portion of such Acquired Entity SAR ("*Substitute SAR*") may, to the extent necessary to achieve such preservation of economic value, be granted with a Strike Price that is less than 100 percent of the Fair Market Value of a Share on the Grant Date, provided that such grant is made in a manner that will not result in the Substitute SAR being subject to the requirements of Section 409A of the Code.

(2) *Exercise of Tandem SARs.* Tandem SARs may be exercised for all or part of the Shares subject to the related Award upon the surrender of the right to exercise the equivalent portion of the related Award. A Tandem SAR may be exercised only with respect to the Shares for which its related Award is then exercisable. Notwithstanding any other provision of this Plan to the contrary, with respect to a Tandem SAR, (i) the Tandem SAR will expire no later than the expiration of the underlying Option; (ii) the value of the payout with respect to the Tandem SAR may be for no more than 100 percent of the difference between the option price of the underlying Option and the Fair Market Value of the Shares subject to the underlying Option at the time the Tandem SAR is exercised; and (iii) the Tandem SAR may be exercised only when the Fair Market Value of the Shares subject to the Option exceeds the option price of the Option.

(3) *Payment of SAR Amount.* Upon exercise of an SAR, the Grantee shall be entitled to receive payment from the Company in an amount determined by multiplying:

- (a) the excess of the Fair Market Value of a Share on the date of exercise over the Strike Price; by
- (b) the number of Shares with respect to which the SAR is exercised;

provided that the Plan Committee may provide in the Award Agreement that the benefit payable on exercise of an SAR shall not exceed such percentage of the Fair Market Value of a Share on the Grant Date as the Plan Committee shall specify. As provided by the Plan Committee in the Award Agreement, the payment upon exercise of a Freestanding SAR or Tandem SAR shall either be in Shares which have an aggregate Fair Market Value (as of the date of exercise of the SAR) equal to the amount of the payment or cash.

ARTICLE 8

RESTRICTED SHARES

(1) *Grant of Restricted Shares.* Subject to the terms and provisions of the Plan, the Plan Committee, at any time and from time to time, may grant Restricted Shares to any Eligible Person in such amounts as the Plan Committee shall determine.

(2) *Award Agreement.* Each grant of Restricted Shares shall be evidenced by an Award Agreement that shall specify the period(s) of restriction, the number of Restricted Shares granted, and such other provisions as the Plan Committee shall determine including, with respect to each Restricted Share that is also a Share Unit, the time and form of payment of such Restricted Share; provided, however, that with respect to Restricted Shares that are also Share Units, if such Share Units would be subject to Section 409A of the Code, the provisions of such Share Unit shall comply with the requirements set forth in Section 409A of the Code.

(3) *Restrictions.* The Plan Committee may impose such conditions and/or restrictions on any Restricted Shares granted pursuant to the Plan as it may deem advisable, including restrictions based upon the achievement of Performance Measures, the achievement of individual performance goals, time-based restrictions on vesting, and/or restrictions under applicable securities laws.

(4) *Consideration.* The Plan Committee shall determine the amount, if any, that a Grantee shall pay for Restricted Shares. Such payment shall be made in full by the Grantee before the delivery of the Shares or Share Units and in any event no later than 10 business days after the Grant Date for such Shares or Share Units.

(5) *Effect of Forfeiture.* Unless otherwise provided in the Award Agreement, if Restricted Shares are forfeited, and if the Grantee was required to pay for such Shares or Share Units or acquired such Restricted Shares upon the exercise of an Option, the Grantee shall be deemed to have resold such Restricted Shares to the Company at a price equal to the lesser of (x) the amount paid by the Grantee for such Restricted Shares, or (y) the Fair Market Value of a Share or Share Unit on the date of such forfeiture. The Company shall pay to the Grantee the required amount as soon as is administratively practical. Such Restricted Shares shall cease to be outstanding, and shall no longer confer on the Grantee thereof any rights as a stockholder of the Company, from and after the

date of the event causing the forfeiture, whether or not the Grantee accepts the Company's tender of payment for such Restricted Shares.

(6) *Escrow; Legends.* The Plan Committee may provide that the certificates for any Restricted Shares (x) shall be held (together with a stock power executed in blank by the Grantee) in escrow by the Secretary of the Company until such Restricted Shares become nonforfeitable or are forfeited and/or (y) shall bear an appropriate legend restricting the transfer of such Restricted Shares. If any Restricted Shares become non-forfeitable, the Company shall cause any certificates for such Shares to be issued without such legend.

ARTICLE 9

OTHER AWARDS

The Plan Committee may grant Other Awards that are payable in cash, Shares or other securities or property (or any combination thereof) as deemed by the Plan Committee to be consistent with the purposes of the Plan, and such Other Awards shall be subject to the terms, conditions, restrictions and limitations determined by the Plan Committee, in its sole discretion, from time to time. Other Awards may be granted with value and payment contingent upon the achievement of performance criteria. Other Awards may also be granted in the form of fund units that are credited with income, gains and losses based on the performance of certain fund investment options.

ARTICLE 10

BENEFICIARY DESIGNATION

Each Grantee under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Grantee, shall be in a form prescribed by the Company, and will be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime. In the absence of any such designation, benefits remaining unpaid at the Grantee's death shall be paid to the Grantee's estate.

ARTICLE 11

DEFERRALS

The Plan Committee may require or permit Grantees to elect to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due by virtue of the exercise of an Option or SAR or the lapse or waiver of restrictions with respect to Restricted Shares under such rules and procedures as established under the Plan or such other rules and procedures as the Plan Committee shall establish; provided, however, to the extent that such deferral is subject to Section 409A of the Code the rules and procedures established by the Plan Committee shall comply with Section 409A of the Code. Except as otherwise provided in an Award Agreement, any payment or any Shares that are subject to such deferral shall be made or delivered to the Grantee upon the Grantee's Termination of Affiliation.

ARTICLE 12

RIGHTS OF EMPLOYEES/DIRECTORS/CONSULTANTS

(1) *Employment.* Nothing in the Plan shall interfere with or limit in any way the right of the Company or any Subsidiary to terminate any Grantee's employment, directorship or consultancy at any time, nor confer upon any Grantee the right to continue in the employ or as a director or consultant of the Company or any Subsidiary.

(2) *Participation.* No employee, director or consultant shall have the right to be selected to receive an Award under the Plan or, having been so selected, to be selected to receive a future Award.

(3) *Dividend Equivalents.* Subject to the provisions of the Plan and any Award, the recipient of an Award (including any Award deferred in accordance with procedures established pursuant to Article 11) may, if so determined by the Plan Committee, be entitled to receive, currently or on a deferred basis, cash, stock or other property dividends, or cash payments in amounts equivalent to cash, property, or other property dividends on Shares (“*Dividend Equivalents*”) with respect to the number of Shares covered by the Award, as determined by the Plan Committee, in its sole discretion, and the Plan Committee may provide that such amounts (if any) shall be deemed to have been reinvested in additional shares or otherwise reinvested; provided, however, that if such payment of dividends or Dividend Equivalents would be subject to Section 409A of the Code, no such payment may be made if it would fail to comply with the requirements set forth in Section 409A of the Code. Notwithstanding the foregoing, no dividends or Dividend Equivalents will be paid with respect to unvested performance Awards.

ARTICLE 13

AMENDMENT, MODIFICATION AND TERMINATION

(1) *Amendment, Modification, and Termination.* Subject to the terms of the Plan, the Board or the Plan Committee may at any time and from time to time, alter, amend, suspend or terminate the Plan in whole or in part. To the extent applicable and required by Code Section 422 or the rules of the New York Stock Exchange (or such other exchange upon which the Company lists its shares for trading) or any other applicable law, rule or regulation, no amendment and no transaction that would constitute a repricing shall be effective unless approved by the Company’s stockholders. Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Options or SARs or cancel outstanding Options or SARs in exchange for cash, other Awards or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without stockholder approval.

(2) *Adjustment of Awards Upon the Occurrence of Certain Unusual or Non-recurring Events.* The Plan Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or non-recurring events (including the events described in Section 4.2) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Plan Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(3) *Awards Previously Granted.* Notwithstanding any other provision of the Plan to the contrary, no termination, amendment or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Grantee of such Award.

ARTICLE 14

WITHHOLDING

(1) *Withholding.* Each Grantee shall, no later than the date as of which the value of an Award first becomes includible in the gross income of such Grantee for federal and/or state income tax purposes, pay to the Company, or make arrangements satisfactory to the Plan Committee regarding payment of, any federal, state, or local taxes of any kind required by law to be withheld with respect to the Award. The obligations of the Company under the Plan shall be conditional on the making of such payments or arrangements, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to such Grantee. Whenever cash is to be paid pursuant to an Award granted hereunder, the Company shall have the right to deduct therefrom an amount sufficient to satisfy any federal, state and local withholding tax requirements related thereto. Whenever Shares (or other property) are to be delivered pursuant to an Award, the Company shall have the right to require the Grantee to remit to the Company in cash an amount sufficient to satisfy any related federal, state and local taxes to be withheld and applied to the tax obligations. With the approval of the Plan Committee, a Grantee may satisfy the foregoing requirement by electing to have the Company withhold from delivery of Shares (or other property) or by delivering already owned unrestricted Shares, in each case, having a value not exceeding the federal, state and local taxes to be withheld and applied to the tax obligations. Except as

otherwise determined by the Plan Committee to comply with local tax and withholding requirements, such Shares or other property shall be valued at their Fair Market Value on the date of which the amount of tax to be withheld is determined. Fractional share amounts shall be settled in cash. Such an election may be made with respect to all or any portion of the Shares or other property to be delivered pursuant to an Award. The Company may also use any other method of obtaining the necessary payment or proceeds, as permitted by law, to satisfy its withholding obligation with respect to any Award.

(2) *Notification under Code Section 83(b).* If the Grantee, in connection with the exercise of any Option, or the grant of Restricted Shares, makes the election permitted under Section 83(b) of the Code to include in such Grantee's gross income in the year of transfer the amounts specified in Section 83(b) of the Code, then such Grantee shall notify the Company of such election within 10 days of filing the notice of the election with the Internal Revenue Service, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) of the Code.

ARTICLE 15

SUCCESSORS

All obligations of the Company under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise of all or substantially all of the business and/or assets of the Company.

ARTICLE 16

ADDITIONAL PROVISIONS

(1) *Gender and Number.* Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular and the singular shall include the plural.

(2) *Severability.* If any part of the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other part of the Plan. Any Section or part of a Section so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

(3) *Requirements of Law.* The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or stock exchanges as may be required. Notwithstanding any provision of the Plan or any Award, Grantees shall not be entitled to exercise, or receive benefits under, any Award, and the Company shall not be obligated to deliver any Shares or other benefits to a Grantee, if such exercise or delivery would constitute a violation by the Grantee or the Company of any applicable law or regulation.

(4) *Securities Law Compliance.*

(a) If the Plan Committee deems it necessary to comply with any applicable securities law, or the requirements of any stock exchange upon which Shares may be listed, the Plan Committee may impose any restriction on Shares acquired pursuant to Awards under the Plan as it may deem advisable. All certificates for Shares delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Plan Committee may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange upon which Shares are then listed, any applicable securities law, and the Plan Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If so requested by the Company, the Grantee shall make a written representation to the Company that he or she will not sell or offer to sell any Shares unless a registration statement shall be in effect with respect to such Shares under the Securities Act of 1933, as amended (the "*Securities Act*"), and any applicable state

securities law or unless he or she shall have furnished to the Company evidence satisfactory to the Company that such registration is not required.

(b) If the Plan Committee determines that the exercise or non-forfeiture of, or delivery of benefits pursuant to, any Award would violate any applicable provision of securities laws or the listing requirements of any stock exchange upon which any of the Company's equity securities are listed, then the Plan Committee may postpone any such exercise, non-forfeiture or delivery, as applicable, but the Company shall use all reasonable efforts to cause such exercise, non-forfeiture or delivery to comply with all such provisions at the earliest practicable date.

(5) *No Rights as a Stockholder.* A Grantee shall not have any rights as a stockholder of the Company with respect to the Shares (other than Restricted Shares) which may be deliverable upon exercise or payment of such Award until such shares have been delivered to him or her. Restricted Shares, whether held by a Grantee or in escrow by the Secretary of the Company, shall confer on the Grantee all rights of a stockholder of the Company, except as otherwise provided in the Plan or Award Agreement. At the time of a grant of Restricted Shares, the Plan Committee may require the payment of cash dividends thereon to be deferred and, if the Plan Committee so determines, reinvested in additional Restricted Shares. Stock dividends and deferred cash dividends issued with respect to Restricted Shares shall be subject to the same restrictions and other terms as apply to the Restricted Shares with respect to which such dividends are issued. The Plan Committee may provide for payment of interest on deferred cash dividends.

(6) *Nature of Payments.* Awards shall be special incentive payments to the Grantee and shall not be taken into account in computing the amount of salary or compensation of the Grantee for purposes of determining any pension, retirement, death or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance or other employee benefit plan of the Company or any Subsidiary or (b) any agreement between (i) the Company or any Subsidiary and (ii) the Grantee, except as such plan or agreement shall otherwise expressly provide.

(7) *Governing Law.* The Plan, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of Delaware other than its laws respecting choice of law.

(8) *Code Section 409A Compliance.* The intent of the Company is that payments and benefits under this Plan comply with Section 409A of the Code to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Plan shall be interpreted and be administered to be in compliance therewith. Any payments described in this Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Notwithstanding anything to the contrary in this Plan, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Plan during the six-month period immediately following the Grantee's termination of employment shall instead be paid on the first business day after the date that is six months following the Grantee's separation from service (or upon Grantee's death, if earlier). In addition, for purposes of this Plan, each amount to be paid or benefit to be provided to the Grantee pursuant to the Plan, which constitute deferred compensation subject to Section 409A of the Code, shall be construed as a separate identified payment for purposes of Section 409A of the Code.

JANUS HENDERSON GROUP PLC
2022 GLOBAL EMPLOYEE STOCK PURCHASE PLAN

1. History; Purpose of the Plan.

- (a) The name of the Plan is the Janus Henderson Group plc 2022 Global Employee Stock Purchase Plan (as may be amended from time to time, the “Plan”). The Plan became effective on May 4, 2022, the date it was approved by Company shareholders (the “Effective Date”).
- (b) The purpose of the Plan is to encourage and enable Employees (as defined below) to acquire proprietary interests in the Company through the ownership of Common Stock in order to establish a closer identification of their interests with those of the Company by providing them with a more direct means of participating in its growth and earnings which, in turn, will provide motivation for participating Employees to remain with and to give greater effort on behalf of the Company.
- (c) Employees participate in the Plan subject to its terms, as may be amended (in accordance with Section 17) in their application to participating Employees in certain jurisdictions, as set out in the Appendix to the Plan.

2. Definitions. The following words or terms, when used herein, shall have the following respective meanings:

- (a) “Account” shall mean and refer to the funds accumulated during the Offering Period with respect to an individual Employee as a result of deductions from such Employee’s paycheck during the Offering Period for the purpose of purchasing Shares under this Plan.
 - (b) “Active Service” shall mean and refer to the state of being paid for services performed or paid while absent for sickness, vacation, holidays or paid leave of absence, but shall not include termination or severance payments.
 - (c) “Award” or “Awards” shall mean and refer to an option or options representing the right or rights granted to Employees to purchase Shares pursuant to an Offering.
 - (d) “Board” shall mean the Board of Directors of the Company.
 - (e) “Code” shall mean the United States Internal Revenue Code of 1986, as amended.
 - (f) “Committee” shall have the meaning set forth in Section 4.
 - (g) “Common Stock” shall mean and refer to ordinary shares, \$1.50 par value per share, of the Company.
 - (h) “Company” shall mean Janus Henderson Group plc, a company incorporated and registered in Jersey, Channel Islands.
 - (i) “Eligible Compensation” shall mean and refer to the Employee’s annual rate of base pay as determined from the payroll records on such date as shall be designated by the Board or the Committee for any Offering. Base pay includes gross straight time, sick pay, vacation pay or holiday pay, as the case may be, after any other payroll deductions, but excludes overtime, commissions, bonuses and other forms of variable compensation.
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- (j) “Employee” shall mean, with respect to any Offering, a natural person who is regularly employed by the Company or a Subsidiary or Affiliated Entity designated by the Committee, in each case, who is so employed on the date designated by the Committee for the Offering.
- (k) “Enrollment Agreement” shall mean an agreement between the Company and an Employee, in such form as may be established by the Company from time to time (which form may be electronic), pursuant to which the Employee elects to participate in this Plan, or elects changes with respect to such participation as permitted under this Plan.
- (l) “Enrollment Period” shall mean and refer to that period of time prescribed in any Offering beginning on the first day Employees may elect to participate in the Offering Period to purchase Shares and ending on the last day such elections to participate are authorized to be received and accepted.
- (m) “Fair Market Value” shall mean, (A) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee, and (B) with respect to Shares, unless otherwise determined by the Committee, as of any date, (i) if the Shares are listed on the New York Stock Exchange, the average of the high and low trading prices on the date of determination on the New York Stock Exchange (or, if no sale of Shares was reported for such date, on the next succeeding date on which a sale of Shares was reported); (ii) if the Shares are not listed on the New York Stock Exchange, the average of the high and low trading prices of the Shares on such other national exchange on which the Shares are principally traded or as reported by the National Market System, or similar organization, or if no such quotations are available, the average of the high bid and low asked quotations in the over-the-counter market as reported by the National Quotation Bureau Incorporated or similar organizations; or (iii) in the event that there shall be no public market for the Shares, the fair market value of the Shares determined by such methods or procedures as shall be established from time to time by the Committee.
- (n) “Offering” shall mean an offering of Shares made under this Plan.
- (o) “Offering Date” shall mean the first Trading Day of each Offering Period as designated by the Committee.
- (p) “Offering Period” shall mean the period commencing on the first day of each calendar quarter and ending on the last calendar day of such quarter, except as otherwise determined by the Committee.
- (q) “Outstanding Election” shall mean the then-current election to purchase Shares in an Offering, or that part of such an election, which has not been cancelled (including voluntary cancellation by the Employee under Section 9 and deemed cancellations under Section 14) prior to the close of business on the Purchase Date.
- (r) “Purchase Date” shall mean the last Trading Day of each Offering Period.
- (s) “Purchase Price Per Share” shall be eighty-five percent (85%) of the Fair Market Value on the Purchase Date; provided, however, the Purchase Price Per Share will in no event be less than the par value of the Shares.
- (t) “Reserves” shall mean the number of Shares covered by Awards under the Plan which have not yet been exercised and the number of Shares which have been authorized for issuance under the Plan but not yet placed under an Award.
- (u) “Shares” shall mean and refer to a share of Common Stock.

- (v) "Subsidiary" or "Affiliated Entity" shall mean a United States or foreign corporation or limited liability company, partnership or other similar entity with respect to which the Company owns, directly or indirectly, fifty percent (50%) or more of the combined voting power of the then-outstanding securities or interests of such corporation, limited liability company, partnership or other similar entity.
- (w) "Trading Day" shall mean a day on which the New York Stock Exchange is open for trading.

3. Shares Reserved for the Plan.

- (a) The Shares purchased under the Plan shall be purchased on the open market by the Company on behalf of Employees on the Purchase Date in accordance with the terms of the Plan. The Company shall pay any fees, commissions or similar expenses for transactions related to the purchase of Shares under the Plan.
- (b) The maximum number of Shares which shall be made available for sale under the Plan shall be 500,000 Shares. The share reserve shall be subject to adjustment as provided in Section 17. If on a given Purchase Date the number of Shares with respect to which Awards are to be exercised exceeds the number of Shares then available under the Plan, the Company shall make a pro rata allocation of the Shares remaining available for purchase in as uniform a manner as shall be practicable and as it shall determine to be equitable.
- (c) Each participating Employee shall have no interest or voting rights in Shares covered an Award until the Award has been exercised and the Employee has become a holder of record of the purchased Shares.

4. Administration of the Plan.

This Plan shall be administered by the Board, or a committee appointed by the Board (consisting of not less than three members of the Board who are not eligible to participate in this Plan and one of whom shall be designated as Chairman of such committee) to administer the Plan (the "Committee"). The Committee is vested with full authority to make, administer and interpret such equitable rules and regulations regarding this Plan, to make amendments to the Plan itself, as it may deem advisable, delegate its administrative authority subject to applicable law, and implement minimum and maximum contribution rates. Its determinations as to the interpretation and operation of this Plan shall be final and conclusive. If no Committee is appointed by the Board to administer the Plan, or if the Board exercises its discretion to administer any aspect of the Plan, any references herein to "Committee" shall be deemed to also refer to the Board, as applicable. The Committee may appoint and delegate to a management committee consisting of one or more persons designated by resolution of the Committee any or all of the authority of the Committee, as applicable, with respect to Awards to Employees other than Employees who are Section 16 Persons at the time any such delegated authority is exercised.

5. Grant of Awards; Limitations.

On each Offering Date, this Plan shall be deemed to have granted to the Employee an Award to purchase as many Shares (which may include a fractional Share) as the Employee will be able to purchase with the after-tax payroll deductions credited to the Employee's Account during Employee's participation in that Offering Period (subject to the limitations set forth below and Section 3). The Committee in its sole discretion may establish limits on the number of Shares an Employee may elect to purchase with respect to any Offering Period.

6. Participation in the Plan.

An Employee may become a participant by completing the prescribed Enrollment Agreement and submitting such form to the Company, or with such other entity designated by the Company for this purpose, prior to the commencement of the Offering to which it relates. The Enrollment Agreement may be completed at any time

after the Employee becomes eligible to participate in the Plan, and will be effective as of the Offering Date next following the receipt of a properly completed Enrollment Agreement by the Company (or the Company's designee).

7. Automatic Re-Enrollment.

At the termination of each Offering, each participating Employee who continues to be eligible to participate shall be automatically re-enrolled in the next Offering, unless the Employee has withdrawn from the Plan in accordance with Section 9 or is otherwise ineligible to participate in the next Offering. Upon a termination of the Plan as a whole, any balance in Employee's Account shall be refunded to him or her as soon as practicable thereafter. The Company may require current participants to complete and submit a new Enrollment Agreement at any time it deems necessary or desirable to facilitate Plan administration or for any other reason.

8. Payroll Deductions and Adjustments to Deductions.

- (a) At the time an Employee submits his or her authorization for an after-tax payroll deduction, he or she shall elect to have a designated percentage or dollar amount of Eligible Compensation deducted on an after tax basis on each payday during the time Employee is a participant in an Offering. Employee may withdraw his or her initial Enrollment Agreement before the Offering Period commences by submitting the prescribed withdrawal notice to the Company (or the Company's designee) prior to the Offering Date for such Offering Period.
- (b) With respect to any Offering, the minimum after-tax payroll deduction shall be twenty-five dollars (\$25) per semi-monthly payroll period and fifty dollars (\$50) per monthly payroll period. The maximum after-tax payroll deduction shall not exceed twenty thousand and forty dollars (\$20,040) per calendar year or such other amount as may be designated by the Committee.
- (c) After-tax payroll deductions for an Employee shall commence on the Offering Date (or as soon as administratively practicable thereafter) and shall continue through subsequent Offerings pursuant to Section 7. All after-tax payroll deductions made by an Employee shall be credited to Employee's Account under the Plan. An Employee may not make any separate cash payment into such Account.
- (d) An Employee may elect to increase or decrease the rate of his or her after-tax payroll deduction during an Offering Period by submitting the prescribed notification form to the Company (or the Company's designee) at any time prior to the first day of the last calendar month of such Offering Period. Such adjustment to Employee's after-tax payroll deduction will be effective as soon as administratively practicable thereafter and will remain in effect for successive Offerings unless participation is earlier withdrawn by Employee as provided in Section 9 or until Employee's termination of employment or Employee is otherwise ineligible to participate in the next Offering Period.
- (e) Notwithstanding the foregoing, the Company may adjust Employee's after-tax payroll deductions at any time during an Offering Period to the extent necessary to comply with any limitations established in accordance with Section 5 or any other specific country limitation. To the extent any such limitations are established and the Company adjusts Employee's after-tax payroll deductions, beginning with the next calendar year's first Offering, after-tax payroll deductions will recommence and be made in accordance with the Outstanding Election prior to such Company adjustment, unless the Employee withdraws in accordance with Section 9 or is otherwise ineligible to participate in such Offering.

9. Withdrawal from Offering Period After Offering Date.

- (a) An Employee may withdraw from an Offering after the applicable Offering Date, at any time prior to the first day of the last calendar month of such Offering Period by submitting the prescribed withdrawal notice to the Company (or the Company's designee). If an Employee withdraws from

an Offering, the Company will purchase Shares on behalf of the Employee on the Purchase Date based on the amount of after-tax payroll deductions accrued in the Employee's Account at the time of withdrawal.

- (b) The Employee's withdrawal from a particular Offering shall be irrevocable. If an Employee wishes to participate in a subsequent Offering, he or she will be required to re-enroll in the Plan by making a timely filing of a new Enrollment Agreement in accordance with Section 6.

10. Method of Payment.

- (a) Payment for Shares purchased pursuant to the Plan shall be made in installments through periodic after-tax payroll deductions, with no right of prepayment. Each Employee electing to purchase Shares shall authorize the withholding from his or her pay on an after-tax basis for each payroll period during the Offering Period the percentage or dollar amount of Eligible Compensation. Such deductions shall be in uniform periodic amounts in conformity with his or her employer's payroll deduction schedule (subject to adjustments made in accordance with this Plan). The amount of each Employee's after-tax payroll deductions shall be credited to such Employee's Account.
- (b) If in any payroll period, an Employee has no pay or his or her pay is insufficient (after other authorized deductions) to permit deduction of the full amount of his or her installment payment, then (i) the installment payment for such payroll period shall be reduced to the amount of pay remaining, if any, after all other authorized deductions, and (ii) the percentage or dollar amount of Eligible Compensation shall be deemed to have been reduced by the amount of the reduction in the installment payment for such payroll period. Deductions of the full amount originally elected by Employee will recommence when his or her pay is sufficient to permit such deductible amount; provided, however, no additional amounts will be deducted to satisfy the Outstanding Election.

11. Interest on Payments.

No interest shall be paid on sums withheld from an Employee's pay for purchase of Shares under this Plan.

12. Rights as Stockholder.

An Employee will become a stockholder with respect to Shares that are purchased pursuant to Awards granted under the Plan when such Shares are transferred into an Employee's name on the books and records of the Company. Ownership of Shares purchased under the Plan will be entered on the books and records of the Company as soon as administratively practicable after payment for the Shares has been received in full by the Company. Shares purchased under the Plan will be issued as soon as practicable after an Employee becomes a stockholder. An Employee will have no rights as a stockholder with respect to Shares for which an election to purchase has been made under the Plan until such Employee becomes a stockholder as provided above.

13. Rights to Purchase Shares Not Transferable.

An Employee's rights under his or her election to purchase Shares under this Plan may not be sold, pledged, assigned, or transferred in any manner. If an Employee's rights are sold, pledged, assigned, or transferred in violation of this Section 13, the right to purchase Shares of the Employee guilty of such violation shall terminate, and the only right remaining under such Employee's election to purchase will be to receive a refund of the amount then credited to the Employee's Account.

14. Deemed Cancellations.

- (a) *Events Constituting a Deemed Cancellation.*
 - (i) *Leave of Absence, Layoff or Temporarily Out of Active Service.* An Employee purchasing Shares under the Plan who is granted an unpaid leave of absence, is laid off, or otherwise

temporarily out of Active Service during the Offering Period without terminating employment shall be eligible to remain a participant in the Plan during such absence, for a period of no longer than ninety (90) days or, if longer, so long as the Employee's right to reemployment with his or her employer is guaranteed either by statute or contract (but not beyond the last day of the Offering Period). The provisions of Section 10 shall apply if the Employee has no pay or his or her pay is insufficient (after other authorized deductions) to cover the required installment payments during such absence. If an Employee does not return to Active Service upon the expiration of his or her leave of absence or lay-off or, in any event, within ninety (90) days from the date of his or her leaving Active Service (unless the Employee's right to reemployment with his or her employer is guaranteed either by statute or contract), his or her election to purchase shall be deemed to have been cancelled on the ninety-first (91st) day after such Employee's leaving Active Service.

- (ii) *Termination of Employment.* If, before an Employee has completed payment for Shares under the Plan, (a) he or she resigns, is dismissed or transferred to an entity other than the Company or a Subsidiary or Affiliated Entity thereof, or (b) if the entity by which he or she is employed should cease to be a Subsidiary or Affiliated Entity of the Company, then his or her election to purchase shall be deemed to have been cancelled at that time. Notwithstanding the foregoing, the Committee in its sole discretion may in lieu of such deemed cancellation specify that there shall be a "Substitution or Assumption" (and not a deemed cancellation) of an election to purchase if the Committee determines that a company or entity and the Company have made satisfactory arrangements for such company or entity to substitute a new option for the Award under such election to purchase, or to assume such Award under such election to purchase, by reason of a transaction (A) that is a corporate merger, consolidation, acquisition of property or stock, separation, reorganization, or liquidation, as defined in Section 424(a) of the Code and regulations thereunder (including a spin-off, split-up or similar transaction), (B) pursuant to which the excess of the aggregate Fair Market Value of the shares subject to the new option immediately after the Substitution or Assumption over the aggregate option price of such shares is not more than the excess of the aggregate Fair Market Value of all Shares subject to the Award immediately before the Substitution or Assumption over the aggregate option price of such Shares, and (C) pursuant to which the new option or the assumption of the Award does not give the Employee additional benefits which he or she did not have under the Award or otherwise delay the Purchase Date beyond the end of the applicable Offering Period then in effect.
- (iii) *Death of a Participant.* If an Employee dies before he or she has completed payment for Shares under the Plan, his or her election to purchase Shares shall be deemed to have been cancelled on the date of death. As soon as administratively practicable after the death of an Employee, the amount then credited to the Employee's Account shall be paid in cash to the beneficiary or beneficiaries designated by the Employee on a beneficiary designation form filed with the Company before such Employee's death or, in the absence of an effective beneficiary designation, to the executor, administrator or other legal representative of the Employee's estate.
- (b) *Terms and Conditions of a Deemed Cancellation.* In the event that an Employee's election to purchase Shares is deemed to be cancelled as defined above in this Section 14, the Employee shall be withdrawn from Plan participation and cease to be a participant, and the Company will refund in cash the Employee's entire Account balance for such Offering as soon as administratively practicable thereafter.
- (c) *Terms and Conditions of a Substitution or Assumption.* If the Committee determines under Section 14(a)(ii) of the Plan to provide a Substitution or Assumption of Awards granted hereunder, the Employee shall have no further rights under this Plan and the Employee's rights, if any, to his or her Account or to purchase any property in lieu of Shares shall be governed exclusively by the

arrangements effecting such Substitution or Assumption including any stock purchase plan of the company or entity substituting a new option for an Award or assuming an existing Award.

15. Application of Funds.

All funds received by the Company in payment for Shares purchased under this Plan and held by the Company at any time may be used for any valid corporate purpose.

16. No Employment/Service Rights.

Neither the action of the Company in establishing the Plan, nor any action taken under the Plan by the Committee, nor any provision of the Plan itself, shall be construed so as to grant any person the right to remain in the employ of the Company or any Subsidiary or Affiliated Entity thereof for any period of specific duration, and such person's employment may be terminated at any time, with or without cause.

Except where prohibited by law, the Awards and (the value of) any Shares issuable under the Plan are not to be considered a part of the participating Employee's normal or expected compensation or salary for any purpose, including, but not limited to, calculation of severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, or damages related to termination (including wrongful dismissal or the manner of dismissal).

17. Adjustments Upon Changes in Capitalization, Dissolution

- (a) *Changes in Capitalization.* Subject to any required action by the stockholders of the Company, the Reserves as well as the number of Shares and price per Share covered by each Award under the Plan which has not yet been exercised and the maximum number of Shares that may be purchased per Employee on any Purchase Date, shall be equitably adjusted for any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of Shares effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Award. The Committee may, if it so determines in the exercise of its sole discretion, make provision for adjusting the Reserves as well as the price per share of Common Stock covered by each outstanding Award and the maximum number of shares that may be purchased per participant on any Purchase Date, in the event the Company effects one or more reorganizations, recapitalizations, rights offerings or other increases or reductions of shares of its outstanding Common Stock.
- (b) *Dissolution or Liquidation.* In the event of the proposed dissolution or liquidation of the Company, the Offering Periods will terminate immediately prior to the consummation of such proposed action, unless otherwise provided by the Committee.

18. Government Approvals or Consents; Plan Termination; Amendment.

This Plan and any Offering and sales to Employees under it are subject to, and contingent upon, any governmental or regulatory approvals or consents that may be or become applicable in connection therewith. The Committee may terminate or amend the plan the Plan at any time, subject to Company stockholder approval where required, and may make such amendments to the Plan and include such terms in any Offering under this Plan as may be necessary or desirable, including, but not limited to, such changes as may be necessary or desirable, in the opinion of counsel for the Company, to comply with the any applicable federal, state, local or foreign laws or rules or regulations of any governmental authority, or to be eligible for tax benefits under the Code or any other

applicable federal, state, local or foreign laws. The Company will obtain Company stockholder approval of any amendment to the Plan as required by applicable law, rule or regulation. No amendment or termination of the Plan will require the consent of any Employee unless otherwise required by applicable law or listing requirements.

19. Withholding Taxes.

The Company shall be entitled to withhold (or to cause the withholding of) from any cash amount payable to Employee by the Company or a Subsidiary or Affiliated Entity thereof the amount, if any, of all taxes of any applicable jurisdiction required to be withheld by the Company or a Subsidiary or Affiliated Entity thereof with respect to the difference between the Purchase Price Per Share and the Fair Market Value as of the Purchase Date.

The participating Employee agrees to indemnify and keep indemnified the Company and Subsidiary or Affiliated Entity, as applicable, against all taxes of any applicable jurisdiction required to be withheld by the Company or a Subsidiary or Affiliated Entity thereof with respect to the difference between the Purchase Price Per Share and the Fair Market Value as of the Purchase Date. The Company shall have no liability in respect of any tax payment and reporting obligations of the Participant in any applicable jurisdiction.

20. Section 409A.

The intent of the Company is that benefits under this Plan be exempt from, or comply with, Section 409A of the Code, and accordingly, to the maximum extent permitted, this Plan shall be interpreted and administered to be in accordance therewith. Any payments described in this Plan that are due within the “short term deferral period” as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Plan during the six (6)-month period immediately following an Employee’s separation from service shall instead be paid on the first business day after the date that is six (6) months following Employee’s separation from service (or, if earlier, death). The Company makes no representation that any or all of the payments described in this Plan shall be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. Employee shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

21. Governing Law.

This Plan and all determinations made and actions taken pursuant thereto shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflicts of laws principles.

APPENDIX

JANUS HENDERSON GROUP PLC GLOBAL EMPLOYEE STOCK PURCHASE PLAN

JURISDICTION-SPECIFIC TERMS

All capitalized terms used in this Appendix that are not defined herein shall have the meanings given under the Plan.

This Appendix sets out amendments or additional terms which apply to Awards granted under the Plan to a participating Employee resident in the jurisdictions listed below. The participating Employee acknowledges that if the participating Employee is working or transfers employment or residency while participating in the Plan, the Company will in its discretion determine to what extent the terms set out in this Appendix for each relevant jurisdiction shall apply.

AUSTRALIA

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. Right to withdraw

- 2.1 The participating Employee may discontinue participation in the Plan at any time in accordance with Section 9 of the Plan (including in the last month of the quarter), which will take effect no more than 45 days after the giving of notice.

3. Data Protection

- 3.1 The participating Employee consents to the collection of personal information for the purpose of administering and managing the participating Employee's participation in the plan and facilitating compliance with applicable legal obligations (the "**Purposes**"). If the participating Employee does not provide or the Company cannot otherwise collect all the information requested or needed, the Company may not be able to administer or manage the participating Employee's participation in the plan.
- 3.2 The Company may collect personal information about the participating Employee, including but not limited to the participating Employee's name, home address, telephone number, email address, date of birth, tax file number, passport or other identification number, salary, nationality, job title, any Awards granted, cancelled, purchased, vested, unvested or outstanding in the participating Employee's favor, in connection with the Purposes.
- 3.3 The Company may disclose this personal information to other members of its Group or to third parties located outside of Australia, in connection with the Purposes.
- 3.4 For further information about how the Company handles personal information, how the participating Employee can request access to and correct personal information, and how the Company handles concerns or complaints, please see the Company's internal privacy policy which can be accessed here: Data Privacy Notice.

FRANCE

1. Consent to receive information in English

- 1.1 By participating in the Plan, the participating Employee confirms having read and understood the documents relating to the Plan and the terms of participation in the Plan which have, in light of the Participant's English proficiency, been provided in the English language. The participating Employee accepts such terms accordingly.
- 1.2 *En participant au Plan, le Participant confirme avoir lu et compris, compte tenu de sa maîtrise de l'anglais, les documents relatifs au Plan ainsi que les modalités et conditions de participation à ce Plan, qui lui ont été transmis en langue anglaise. Le Participant accepte ces modalités et conditions en toute connaissance de cause.*
- 2. Consent to deductions**
- 2.1 By participating in the Plan, the Participant consents to deductions from the Participant's after-tax payroll in accordance with the Plan terms.
- 3. Right to withdraw**
- 3.1 The participating Employee may withdraw from the Plan at any time (except during the last calendar month of an Offering Period) in accordance with Section 9 of the Plan.
- 3.2 The Company may terminate the Plan at any time.
- 4. Data Protection**
- 4.1 The Company is the Controller, as this term is defined in the European General Data Protection Regulation 2016/679 (the "GDPR"), for the processing of the Data (as defined below) in connection with the Purposes (as defined below).
- 4.2 The Company processes Data for the purpose of administering and managing the participating Employee's participation in the Plan and facilitating compliance with applicable tax, exchange control securities and labor law (the "Purposes"). The legal basis for the processing of the Data by the Company in connection with the Purposes is for the Company's legitimate business interests of managing the Plan and generally administering Awards granted under the Plan.
- 4.3 The Company collects, processes and uses certain personal information about the participating Employee, including but not limited to the participating Employee's name, home address, telephone number, email address, date of birth, social security number, passport or other identification number, salary, nationality, job title, any Awards granted, cancelled, purchased, vested, unvested or outstanding in the participating Employee's favor (the "Data"), in connection with the Purposes.
- 4.4 The Company may transfer the Data to other members of its Group or to third parties located outside of the European Economic Area, in connection with the Purposes. The Company shall ensure that it does so on the basis of a valid data transfer mechanism, such as the European Commission's Standard Contractual Clauses.
- 4.5 For further information, please see the Company's internal privacy notice which can be accessed here: [Data Privacy Notice](#).

HONG KONG

1. Consent to deductions

By participating in the Plan, the participating Employee consents to deductions from the participating Employee's pre-tax payroll in accordance with the Plan terms. The participating Employee acknowledges and agrees that such deductions do not constitute an impermissible deduction under section 32 of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) (acknowledging that where the purchases are made pre-tax, the obligation to file and pay taxes falls on the participating Employee (and not the employer)).

ITALY

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. Data Protection

- 2.1 The collection, storage and transmission of the participating Employee's personal data for the purposes of managing the Plan (including, but not limited to, the participating Employee's name, home address, telephone number, email address, date of birth, social security number, passport or other identification number, salary, nationality, job title, etc., jointly the "**Data**") constitutes a data processing activity pursuant to Article 4, paragraph 2, of Regulation (EU) 2016/679 ("**GDPR**").
- 2.2 For the purposes of the Data processing, the Company is the controller pursuant to Article 4, paragraph 7, of the GDPR and therefore provides the participating Employee with a specific notice on the processing of his/her Data which are necessary in order to manage the Plan, pursuant to Article 13 of the GDPR.
- 2.3 The processing is based on the application of the employment contract of the participating Employees who are eligible to participate to the Plan (Article 6, paragraph 1, letter b, of the GDPR) as well as on the legitimate interest of the data controller to manage the Plan and to defend its rights and/or third parties' rights, also in Court or in a preparatory phase to it (Article 6, paragraph 1, letter f, of the GDPR).
- 2.4 The participating Employee's Data requested are necessary and mandatory for participating in the Plan. In the absence of such Data, the participation will not be taken into account. The Data will be shared only with individuals and/or entities authorized to process them, including other members of its Group and/or competent Authorities (when required by law). Data may also be transferred to third parties located outside of the European Economic Area, in connection with the mentioned purposes. The Company shall ensure that it does so on the basis of a valid data transfer mechanism, such as the European Commission's Standard Contractual Clauses.
- 2.5 The Data will be stored and retained for as long as necessary to execute the Plan and fulfil any legal obligations related to it, up to 10 years since the data of subscription, unless further retention is justified by any applicable law or the need for the Company to defend a right.
- 2.6 In connection with the Data, each participating Employee may exercise all the rights provided by Articles 15 to 22 of the GDPR, by contacting the Company at the following e-mail address: GlobalESPP@janushenderson.com. Each participating Employee also has the right to lodge a complaint with the Italian Data Protection Authority, following the procedures and instructions published on the official website www.garanteprivacy.it.

JERSEY

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. Data Protection

- 2.1 The Company is the Controller, as this term is defined in Data Protection (Jersey) Law 2018, for the processing of Data (as defined below) in connection with the Purposes as defined below).
- 2.2 The Company processes Data for the purpose of administering and managing the participating Employee's participation in the plan and facilitating compliance with applicable tax, exchange control securities and labor law (the "**Purposes**"). The legal basis for the processing of the Data by the Company in connection with the Purposes is for the Company's legitimate business interests of managing the plan and generally administering Awards granted under the Plan.

- 2.3 The Company collects, processes and uses certain personal information about the participating Employee, including but not limited to the participating Employee's name, home address, telephone number, email address, date of birth, social security number, passport or other identification number, salary, nationality, job title, any Awards granted, cancelled, purchased, vested, unvested or outstanding in the participating Employee's favor (the "**Data**"), in connection with the Purposes.
- 2.4 The Company processes Data for the Purposes. The legal basis for the processing of the Data by the Company in connection with the Purposes is for the Company's legitimate business interests of managing the plan and generally administering Awards granted under the Plan.
- 2.5 For further information, please see the Company's internal privacy notice which can be accessed here: Data Privacy Notice. The privacy notice is updated from time to time and does not form part of this agreement.

NETHERLANDS

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. No services/employment relationship, extraordinary item of compensation and no additional or future rights

- 2.1 The grant of Awards or the participating Employee's participation in the Plan will not be interpreted or considered to form an employment or services contract or relationship with the Company or any Subsidiary.
- 2.2 The Awards and (the value of) any Shares issuable under the Plan are extraordinary items outside the scope of the participating Employee's employment contract, if any, that do not constitute compensation of any kind for any services rendered to the Company or any Subsidiary.
- 2.3 The participating Employee understands and acknowledges that participation in the Plan is voluntary and that any grant of Awards under the Plan does not in any way create any contractual or other right to receive additional or future grants of Awards (or benefits in lieu of Awards) at any time or in any amount.

3. Data Protection

- 3.1 The collection and processing of the personal data of participating Employees in the Netherlands by the Company shall be subject to the provisions of the GDPR and the Dutch GDPR Implementation Act (*Uitvoeringswet AVG, UAVG*).
- 3.2 By participating in the Plan, or accepting any rights granted under it, the participating Employee acknowledges, and where required, consents, to the collection and processing of personal data by the Company, so it may fulfil its obligations and exercise its rights under the Plan, to generally administer and manage the Plan, to enter into and execute any contractual agreement with the participating Employee in relation to the Plan, to comply with applicable legislation and for determining, defending or exercising the legal position of itself and/or any Subsidiary and/or Affiliated Entity (the "**Purposes**").
- 3.3 This personal data collected and processed for the Purposes will include, but may not be limited to, the participating Employee's name, home address, telephone number, date of birth, salary, nationality, job title, information about the participating Employee's employment with the Company, Subsidiary or Affiliated Entity, participation in the Plan and other appropriate financial and other data (such as information relating to Shares), as well as circumstances that may affect the participating Employee's rights in connection herewith (the "**Personal Data**"). Without the processing of the Personal Data for the Purposes, the participating Employee's ability to participate in the Plan and exercise any rights thereunder may be affected and it may not be practicable for the Company and/or the Subsidiary or Affiliated Entity to administer the participating Employee's involvement in the Plan in a timely fashion, or at all, and this may result in the possible exclusion from (continued) participation under the Plan.
- 3.4 The Company shall take reasonable measures to keep the Personal Data private, confidential, accurate and current and shall ensure that the Personal Data is treated as private and confidential and will not be disclosed

or used other than for the Purposes. The Personal Data shall be retained by the Company for as long as necessary for the Purposes.

- 3.5 Personal Data may be transferred to a Subsidiary and/or Affiliated Entity as well as to a third party, such as a payroll or other service provider, external advisors, consultants, competent authorities, and the courts insofar as this is necessary for the Purposes. The Personal Data may be transferred outside of the European Economic Area, in which case the Personal Data will be subject to a different level of data protection as offered under the GDPR. Where such transfers take place, they shall be based on adequate transfer mechanisms in accordance with article 44 et seq. GDPR, such as an adequacy decision for a specific jurisdiction adopted by the European Commission (as is in place inter alia for the United Kingdom), or other transfer mechanisms that are implemented by the Company and the relevant recipient such as the Standard Contractual Clauses. The participating Employee has the right to request information on or copies of the transfer mechanisms that are in place to secure such transfers of Personal Data outside of the European Economic Area.
- 3.6 The participating Employee may, at any time and under certain circumstances, exercise the rights granted to data subjects under the GDPR, including the right to make, where applicable, a request to access or be provided with a copy of the Personal Data, request additional information about the storage and processing of the Personal Data, request to receive the Personal Data in a structured, commonly used and machine-readable format and have such Personal Data transmitted to another party, request that the processing of the Personal Data is restricted, request that the Personal Data is erased or otherwise object to its processing by the Company, require any necessary corrections to it or withdraw any consents for the processing of the Personal Data and lodge a complaint with the Dutch Data Protection Authority (*Autoriteit Persoonsgegevens*) in the Netherlands.

4. Taxes and social security premiums

The term 'taxes' as mentioned in Section 18 (Withholding Taxes) of the Plan includes employee's social security contributions (*premies volksverzekeringen*). Any employer's social security contributions (*premies werknemersverzekeringen en werkgeversbijdrage Zvw*) due will remain for the account of the employer as these amounts are legally payable by the employer.

SINGAPORE

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.
- 1.2 The total amount of all deductions made from the participating Employee's payroll, including deductions in accordance with the Plan terms but excluding: (a) deductions for absence from work; (b) deductions for the recovery of any advance, loan or unearned employment benefit, or for the adjustment of any overpayment of salary; and (c) deductions made with the written consent of the participating Employee and paid to any cooperative society cannot exceed 50% of the salary payable to the participating Employee in respect of that period.

2. Right to withdraw

- 2.1 The participating Employee may discontinue participation at any time in accordance with Section 9 of the Plan (including in the last month of the quarter), which will take effect forthwith, but will not affect deductions already made in accordance with the Plan terms.

3. Data Protection

- 3.1 The Company may collect, process, use, transfer, and disclose certain personal information about the participating Employee, including but not limited to the participating Employee's name, home address, telephone number, email address, date of birth, social security (or other equivalent) number, passport or other identification number, salary, nationality, job title, any Awards granted, cancelled, purchased, vested,

unvested or outstanding in the participating Employee's favor (the "**Data**"), in connection with the Purposes listed below.

- 3.2 The Company may collect, process, use, transfer, and disclose such Data for the purposes of administering and managing the participating Employee's participation in the plan, facilitating compliance with applicable tax, exchange control securities, labor, and other applicable laws, and for the Company's legitimate business interests (the "**Purposes**").
- 3.3 The Company may transfer the Data to other members of its Group or to third parties located outside of Singapore, in connection with the Purposes. The Company shall ensure that it does so on the basis that the Data so transferred is subject to a standard of protection that is at least comparable to that provided under the Personal Data Protection Act of Singapore (the "**PDPA**").
- 3.4 The Company will also protect, retain (unless and until the Purposes are no longer being served by retention, and retention is no longer necessary), and make reasonable efforts to ensure the accuracy of the Data to the extent required under the PDPA. The Company will also allow access and/or correction to the Data to the extent permissible under the PDPA.

SWITZERLAND

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. Data Protection

- 2.1 The Company is the controller (i.e. the responsible person under the Swiss Federal Act on Data Protection) for the processing of the Data (as defined below) in connection with the Purposes (as defined below).
- 2.2 The Company processes Data for the purpose of administering and managing the participating Employee's participation in the plan and facilitating compliance with applicable laws, including tax, exchange control securities and labor law (the "**Purposes**").
- 2.3 The Company collects and processes certain personal information about the participating Employee, including but not limited to the participating Employee's name, home address, telephone number, email address, date of birth, social security number, passport or other identification number, salary, nationality, job title, any Awards granted, cancelled, purchased, vested, unvested or outstanding in the participating Employee's favor (the "**Data**"), in connection with the Purposes.
- 2.4 The Company may transfer the Data to other members of its Group or to third parties located outside of the European Economic Area, in connection with the Purposes. The Company shall ensure that it does so on the basis of a valid data transfer mechanism, such as the European Commission's Standard Contractual Clauses.
- 2.5 For further information, please see the Company's internal privacy notice which can be accessed here: [Data Privacy Notice](#).

UNITED ARAB EMIRATES (DUBAI INTERNATIONAL FINANCIAL CENTRE)

1. Consent to deductions

- 1.1 By participating in the Plan, the participating Employee consents at any time and without notice to deductions from the participating Employee's after-tax payroll in accordance with the Plan terms.

2. Relationship to employing company

- 2.1 The participating Employee acknowledges that payments made under the Plan are payable by the Company and there are no obligations incumbent upon the participating Employee's employing entity in the Dubai

International Financial Centre (“DIFC”), United Arab Emirates, nor does the plan form part of the participating Employee’s employment contract with the Subsidiary.

3. Data Protection

- 3.1 The Company, and the Subsidiary that employs the participating Employee and potentially other Subsidiaries, hold and process both electronically and manually, certain participating Employee Personal Data (including Special Categories of Personal Data) (each as defined below), in addition to other information contained in Company e-mails (including e-mail attachments) which relates to the participating Employee for the purposes of the administration and management of its business and the participating Employee’s participation in the Plan.
- 3.2 The Company and/or any Subsidiary may transfer this data (including Personal Data) to the Company (in the case of a Subsidiary) or any other Subsidiary for storage, processing, or administrative purposes and/or legal/regulatory purposes or to third parties where such disclosure is required for the business purposes of the Company or any Subsidiary or is necessary for administrative (including but not limited to data processing) purposes, participating Employee management, and/or legal and/or regulatory purposes.
- 3.3 The types of participating Employee Personal Data that the Company and/or a Subsidiary processes, how it processes the participating Employee Personal Data and the participating Employees rights in relation to the processing of such Personal Data are set out in detail in the Company’s internal privacy notice which can be accessed here: Data Privacy Notice.
- 3.4 “**Special Categories of Personal Data**” and “**Personal Data**” have the meanings given to them under the DIFC Data Protection Law (DIFC Law No. 5 of 2020, as amended).

4. Choice of forum

- 4.1 The parties hereby agree that any disputes arising under or in connection with the Plan shall be referred to arbitration at and in accordance with the Rules of the International Chamber of Commerce. The seat, or legal place, of arbitration shall be the DIFC. The number of arbitrators shall be one. The language to be used in the arbitration is English.

5. Disclaimer

- 5.1 This statement relates to an Exempt Offer as defined in and in accordance with the Markets Law DIFC Law No 1 of 2012 (“**Markets Law**”) and associated Markets Rules (MKT) (“**Markets Rules**”) of the Dubai Financial Services Authority. This statement is intended for distribution only to Persons as defined in and of a type specified in the Markets Rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it and has no responsibility for it. The Securities (as defined in the Markets Rules) to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities. If the participating Employee does not understand the contents of this document, they should consult an authorized financial adviser.



July 28, 2022

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We are aware that our report dated July 28, 2022 on our review of interim financial statements of Janus Henderson Group plc, which appears in this Quarterly Report on Form 10-Q, is incorporated by reference in the Registration Statements on Form S-3 (No. 333-252714) and Form S-8 (Nos. 333-218365, 333-236685 and 333-265647) of Janus Henderson Group plc.

Very truly yours,

/s/PricewaterhouseCoopers LLP
Denver, Colorado

CERTIFICATION

I, Ali Dibadj, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Janus Henderson Group plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Ali Dibadj

Ali Dibadj

Chief Executive Officer

Date: July 28, 2022

A signed original of this written statement required by Section 302 has been provided to Janus Henderson Group plc and will be retained by Janus Henderson Group plc and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION

I, Roger Thompson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Janus Henderson Group plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Roger Thompson
 Roger Thompson
 Chief Financial Officer

Date: July 28, 2022

A signed original of this written statement required by Section 302 has been provided to Janus Henderson Group plc and will be retained by Janus Henderson Group plc and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Janus Henderson Group plc on Form 10-Q for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “report”), I, Ali Dibadj, Chief Executive Officer of Janus Henderson Group plc, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Janus Henderson Group plc.

/s/ Ali Dibadj

Ali Dibadj

Chief Executive Officer

Date: July 28, 2022

A signed original of this written statement required by Section 906 has been provided to Janus Henderson Group plc and will be retained by Janus Henderson Group plc and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Janus Henderson Group plc on Form 10-Q for the quarter ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “report”), I, Roger Thompson, Chief Financial Officer of Janus Henderson Group plc, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of Janus Henderson Group plc.

/s/ Roger Thompson

Roger Thompson
Chief Financial Officer

Date: July 28, 2022

A signed original of this written statement required by Section 906 has been provided to Janus Henderson Group plc and will be retained by Janus Henderson Group plc and furnished to the Securities and Exchange Commission or its staff upon request.
