

**JANUS HENDERSON GROUP PLC**  
**CHARTER OF THE RISK COMMITTEE OF THE BOARD OF DIRECTORS**  
*With effect from 30 May 2017*  
*Revised 17 October 2018*

## **I. Establishment and Purpose**

The Risk Committee (the “Committee”) of the Board of Directors (the “Board”) of Janus Henderson Group plc (the “Company”) is established pursuant to the Company’s Articles of Association. The Committee is appointed by the Board to assist the Board in its oversight of risk.

The Chairperson of the Committee shall liaise with the Chairperson of the Audit Committee to assist that Committee in its review of the Company’s risk assessment and risk management matters as set forth in the Audit Committee charter. The Chairperson of the Committee shall liaise also with the Chairperson of the Compensation Committee to assist that Committee in its consideration of the Company’s risk assessment and risk management matters as they relate to the Company’s compensation policies and practices.

## **II. Membership and Qualifications**

### **1. Appointment and Removal.**

Committee members are appointed and removed by a majority vote of the Board based on the recommendation of the Nominating and Corporate Governance Committee.

### **2. Qualifications.**

The Committee shall consist of no fewer than three members of the Board. Each member of the Committee shall meet the independence and experience requirements of the New York Stock Exchange (the “NYSE”) and should take into account the independence provisions set out in the Corporate Governance Principles and Recommendations issued by the Australian Securities Exchange (“ASX”), as determined by the Board in its judgment.

## **III. Authority and Responsibilities**

### **1. Principal Risks.**

The Committee, to the extent it deems necessary or appropriate, shall:

(a) Ensure that the key risks facing the Company are covered and identified in a regular and timely fashion either by the Committee, the Board or by one of the other Board Committees. The Committee will also look to identify any forward looking and emerging risks that relate to the industry or the Company specifically, and will refresh and monitor these risks and look at mitigating actions on an ongoing basis.

(b) In coordination with the Chair of the Audit Committee, review and approve any information that is presented in financial statements relating to risk management policies or procedures and any published reports which describe the risk management framework of the Company.

(c) Acknowledging that the Committee’s focus shall be forward looking, anticipate potential issues by assessing known or foreseeable risks and thereby enabling the Company to take

action to avoid or mitigate the impact of those issues. In particular, the Committee will assist the Board in:

- (i) advising on the Company's risk profile and risk appetite in setting its future strategy, taking account of the Board's overall degree of risk aversion, significant exposures or risk types, the current financial situation of the Company and its capacity to manage and control risks within the Company's strategy;
- (ii) overseeing the effectiveness of the risk management procedures, and the principal risks and uncertainties relating to the Company and the steps being taken to mitigate them; and
- (iii) reviewing the work and reports prepared by the Chief Risk Officer ("CRO") and oversee the effectiveness of the CRO's role.

## 2. Evaluating and Overseeing the Principal Risks of the Group.

(a) The Committee shall review and challenge, where necessary, the risk information it receives in order to identify, evaluate and oversee the principal risks and uncertainties relating to the Company, using such qualitative and quantitative metrics as may be appropriate, such as stress and scenario testing, and advise the Board accordingly. This should include the monitoring, in a sufficiently accurate and timely manner, of particular significant exposures or risk types, the actions being taken to mitigate those risks and the impact on the Group's current and future capital position.

(b) The Committee shall evaluate and recommend to the Board the risk profile and risk appetite of the Company on a periodic basis and shall ensure that they are aligned with the Company's strategy.

(c) The Committee shall provide input to the Compensation Committee to ensure that risk is taken into account when determining bonus amounts in accordance with FCA Principles.

## 3. Risk Management Procedures.

(a) The Committee shall oversee and advise the Board upon the embedding and maintenance throughout the Company of a supportive risk management culture and is to be satisfied that the Company is effectively managing and monitoring its risks to ensure:

- (i) risk management responsibilities across the Company are delegated effectively;
  - (ii) current and emerging key risks are identified and managed effectively;
  - (iii) management action plans to mitigate key risks are being implemented effectively;
- and
- (iv) material incidents with Group-wide implications are managed effectively, remedial action is taken and lessons learned are implemented.

## 4. Relationship with Audit Committee.

The Committee shall discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies, coordinating with the Audit Committee as appropriate.

## 5. Chief Risk Officer.

(a) The Committee shall:

(i) review and approve the appointment of the CRO and ensure that:

(1) the CRO cannot be removed from office without the prior approval of the Board and;

(2) the CRO's compensation is subject to the specific approval of the Compensation Committee;

(ii) review the CRO's annual plan, objectives and resourcing;

(iii) review significant findings and reports of the CRO and management's responses to those findings;

(iv) approve any risk management policies (or changes to those policies) prepared by the CRO and monitor the effectiveness of, and compliance with, such policies;

(v) review the activities of the CRO and the effectiveness of the CRO's function;

(b) The CRO shall communicate regularly with the Chairman of the Committee and will have the right and responsibility to elevate issues to the Chairman of the Committee where he/she considers it necessary in the furtherance of his/her responsibilities.

## **IV. Outside Advisors**

### 1. Authority.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors to assist the Committee in the performance of its duties.

### 2. Funding.

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company and to any advisors employed by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

## **V. Operational Matters**

### 1. Chairman and Secretary.

The Committee Chairman shall be appointed by the Board based on the recommendation of the Nominating and Corporate Governance Committee. The Committee may also appoint a Secretary, who need not be a Director.

### 2. Meetings.

The Committee shall meet as often as it determines necessary, but not less frequently than quarterly. The Committee shall meet periodically in separate executive sessions with

management, the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

### 3. Attendees.

The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

### 4. Delegation.

The Committee may form and delegate authority to subcommittees consisting of one or more members, when appropriate, including the authority to grant pre-approvals of audit and non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.

### 5. Review of Charter.

The Committee shall review at least annually this Charter and recommend any proposed changes to the Board.

### 6. Performance Evaluation.

The Committee shall annually review the Committee's own performance.

### 7. Reporting to the Board.

The Committee shall make regular reports to the Board.

## **VI. General**

While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained herein is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable U.S. federal or Jersey, Channel Islands law.