

Henderson Diversified Income Trust PLC

Responsible investment

As an investment company that outsources all services to third-party suppliers the Board makes every effort to understand its key third-party service providers' ESG policies (including climate change) in particular those of the Manager. Janus Henderson are a signatory to the UN Principles of Responsible Investment and the UK Stewardship Code published in 2020 and seek to protect and enhance value for shareholders through active management, integration of ESG factors into decision making, voting and company engagement

Investment approach and ESG engagement

The Board believes that voting at general meetings is an integral aspect of corporate stewardship and a means of signalling shareholder views on board policy, practices and performance. The Board has chosen to delegate responsibility to the Manager for voting the rights attached to the shares held in the Company's equity portfolio (when applicable) as the Manager actively votes at shareholder meetings and engages with companies as part of the voting process. Voting decisions are guided by the best interests of the investee companies' shareholders and made in consultation with the Fund Managers, who have an in-depth understanding of the respective company's operations. Voting decisions are taken in keeping with the provisions of the Manager's ESG Corporate Statement, ESG Investment Principles and Responsible Investment Policy (ESG Policies), so investee companies are made aware of the Manager's expectations in this respect. The Board reviews the Manager's ESG Policies each year.

The Board remains satisfied that the Manager understands the risks of climate change to its business, strategy and product mix and where relevant it is adapting to ensure long-term viability. The Board will monitor and review the ESG Policies of the Manager and its key third-party service providers in the year ending 30 April 2021 as it expects all companies to evolve their policies as ESG reporting develops.

Additional information:

Information on the Company's approach to ESG can be found in the latest annual report:

<https://documents.janushenderson.com/prod/documents/docId/P06L81>

The Manager's ESG Principles are available here:

<https://www.janushenderson.com/en-gb/investor/about-us/esg-environmental-social-governance/>

The Company's appointed investment manager

- supports the Stewardship Code: <https://www.frc.org.uk/investors/uk-stewardship-code>
- and is a signatory of the Principles for Responsible Investment: <https://www.unpri.org/>