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ESG INVESTMENT POLICY

Environmental, Social & Governance (ESG):

Our active approach to ESG, incorporating our
Sustainability Risk Policy





CONTENTS

1. ESG Integration Principles.....	1
2. Sustainable Investment Principles	2
2.1 Baseline Exclusions.....	2
2.2 Engagement, and Core Engagement Themes....	2
2.3 Proxy Voting.....	2
3. Governance & Oversight.....	3
4. Review	3
5. Escalation Requirements	3
6. References.....	3
7. Sustainable Finance Disclosure Regulation (SFDR)	3

1. ESG Integration Principles

Being a global asset management organisation comes with important responsibilities. As an active manager, this means that integrating Environmental, Social and Governance (ESG) factors into our investment decision-making and ownership practices is fundamental to delivering the results clients seek. An issue as pressing as ESG investing demands active and ongoing engagement and we are committed to maintaining a focus on ESG as a foundation for long-term investment returns. We also recognise that the ESG investment world is evolving and we seek to partner with clients and act as a guide on that journey. Unless otherwise noted by an adviser within the Janus Henderson Group (JHG), the Policy applies globally to all JHG subsidiaries.

Defining ESG

Environmental

Factors include climate change, energy efficiency, resource depletion, and water and waste management.

Social

Factors include employee and community relations, diversity, quality of life, enhancements in knowledge, and advances in supportive technology for improved sustainability.

Governance

Factors include mitigating risks such as bribery and corruption, questioning board diversity, executive pay, accounting standards and shareholder rights, and positively influencing corporate behaviour.

ESG Investment Principles for Long-Term Investment Success:

1. Investment portfolios are built with the aim to maximise long-term, risk-adjusted returns for our clients.
2. Evaluation of ESG factors is a material component of our investment processes.
3. Corporate engagement is vital to understanding and promoting sustainable business practices.
4. Investment teams should have the freedom to interpret and implement ESG factors in the way best suited to their asset class and investment strategy objective.

Our Commitment to Clients

Janus Henderson understands ESG investing continues to evolve and mature. We are committed to maintaining an open dialogue with our clients, shareholders, employees, industry groups, and regional regulators to ensure we continue to meet their expectations and hold true to our

values as a steward of our clients' capital. This includes listening to client needs and developing new products to meet changing requirements. It also means actively sharing the views of our managers on how they see ESG issues reshaping the investment landscape and where the risks and opportunities lie. The Janus Henderson website provides access to manager insights as well as our ESG policies, voting records, and annual reports.

Integration in Practice

As investment professionals, our first responsibility is, and always has been, to our clients' interests and goals – growing and smartly managing their capital and fulfilling our fiduciary responsibilities. In every market, client demand is also increasing for us to invest with processes that incorporate ESG and sustainability.

ESG factors are integral to how we think about risk. Among our clients, attitudes towards ESG and sustainability vary as much as risk profiles. We are respectful of this diversity of values and offer strategies and products accordingly.

ESG considerations are a key component of the active investment processes employed by our investment teams. These teams operate and are structured in ways most suited to their respective asset classes. Aside from expectations outlined under our Sustainable Investment Principles, the precise approach to and depth of ESG integration is down to the discretion and judgement of our investment teams, who apply their differentiated perspectives, insight, and experience to identify sustainable business practices that can generate long-term value for investors. Commitments and accountability for the execution of ESG integration factors therefore rests with the relevant investment teams. Each team is responsible for articulating their specific objectives, which means that the implementation of ESG criteria is carried out at the strategy level.

We encourage and support investment teams in embedding ESG factors in their work. This support includes centralised functions, such as data management, research, investment platforms, and risk management tools:

- **Internal Research Platform:** Investment teams are responsible for sharing relevant ESG research produced in-house by analysts on centralised research platforms.
- **ESG – Investments Team:** A specialised group focused on governance and stewardship, ESG investment research, and ESG strategy and development. The team's mission is to promote ESG integration across Janus Henderson and serve as a resource for all investment teams.
- **ESG Risk Reporting:** ESG data is incorporated into our risk reporting tools, covering issues such as exposure to companies with low ESG ratings, controversies, weak corporate governance, and climate risk.
- **ESG Research, Data, and Ratings:** Janus Henderson subscribes to a broad range of external ESG information providers and makes this information available directly to the investment teams.

2. Sustainable Investment Principles

We believe in the importance of investing for financial performance today without borrowing from our collective future. We expect our investment teams to engage with the issuers they invest in to improve performance on sustainability issues, with a particular focus on issues we identify as Core Engagement Themes, and minimise undesirable externalities associated with their economic activities. We seek to avoid financing practices prohibited by key international treaties.

2.1 Baseline Exclusions

Scope

Except as noted below, the baseline exclusions generally apply to all Janus Henderson Funds and discretionary segregated mandates. They do not apply to index and other derivatives or passive portfolios (including ETFs) intended to track a benchmark.

Activities Excluded

Current manufacture of or minority shareholding of 20% in a manufacturer of:

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

Classification of issuers is primarily based on activity identification fields supplied by our third-party ESG data providers. This classification is subject to an investment research override in cases where sufficient evidence exists that the third-party field is not accurate or appropriate.

In any scenario where a portfolio position is identified as not meeting this exclusion criteria for any reason (legacy holding, transition holding, etc.) the portfolio manager shall be granted 90 days to review or challenge classification of the issuer if appropriate. After this period, in the event an investment research override is not granted, divestment is required immediately under normal market trading circumstances.

2.2 Engagement, and Core Engagement Themes

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

stewardship codes, such as the UK and Japanese stewardship codes, and broader initiatives around the world including the UN Principles for Responsible Investment.

Above and beyond the expectation that investment teams incorporate ESG considerations in issuer engagement as appropriate to individual circumstances, we also ask teams to pro-actively engage on the following core sustainability themes:

- Climate Change
- Diversity & Inclusion
- Good Corporate Governance

Investment teams are required to log engagements in the Research Management System, tagged with the engagement type (in-person meeting, letter, etc.), appropriate theme, and specific engagement issue addressed. If appropriate, investment teams should also tag by issue progress (issue first raised, sufficient progress, insufficient progress, etc.). In exceptional circumstances at the discretion of the compliance team, engagement notes may be retained in localised storage folders.

2.3 Proxy Voting

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

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

A key element of our approach to proxy voting is to support these principles and to foster the long-term interests of clients.

Janus Henderson also recognises that, in some instances, joint action by shareholders has the potential to be more effective than acting alone. This is especially true when shareholders have a clear common interest. Where appropriate, we pro-actively collaborate with other investors on governance and wider environmental and social engagement issues, directly and through industry bodies.

Janus Henderson has a Proxy Voting Committee, which is responsible for establishing positions on major voting issues and creating guidelines overseeing the voting process. The Committee is comprised of representatives of investment portfolio management, corporate governance, accounting, legal, and compliance. Additionally, the Proxy Voting Committee is responsible for monitoring and resolving possible conflicts of interest with respect to proxy voting. Public links to our voting records are available on company

websites in applicable jurisdictions.

3. Governance and Oversight

Janus Henderson's ESG Investment Steering Committee oversees the integration of ESG into our investment activities. This group is made up of senior investment leaders from across the organisation, with oversight from the Global Chief Investment Officer.

The Front Office Governance and Risk Committee is ultimately responsible for front office policies and procedures, including sustainability risks and the integration of sustainability risks into investment decision-making.

Janus Henderson's investment teams define and regularly review their ESG priorities. These are included in fund disclosures and reviewed by centralised risk management, with specialised technical support provided by the ESG team.

4. Review

This policy will be reviewed on at least an annual basis or as and when required.

5. Escalation Requirements

Violations of any company policy must be reported immediately upon detection by employees via the incident management form within the governance, risk management and compliance system. Anonymous reports can also be made by employees calling a toll-free hotline. Failure by employees to report policy violations may lead to appropriate disciplinary action.

6. References

Janus Henderson maintains other policies and documentation related to ESG and sustainability, including:

- ESG Corporate Statement
- Impact Report
- Diversity & Inclusion Report
- Annual ESG Company Engagement & Voting Review
- Proxy Voting Policy and Procedures
- Fund disclosures

Additional information, including our ESG Corporate Statement can be found on janushenderson.com.

7. Sustainable Finance Disclosure Regulation (SFDR)

This document also sets out Janus Henderson's policies with respect to the integration of sustainability risks in its investment decision-making process for funds domiciled and marketed in the European Union (EU) and for segregated mandates contracting with Henderson Management Société Anonyme (HMSA), or where the client is domiciled in the EU, as required by Article 3 of the EU Sustainable Finance Disclosure Regulation (**SFDR**).

The external harm of investments is covered by a separate regime under SFDR, which considers the principal adverse impacts of a firm's investment decisions on sustainability factors. Further information on the extent to which Janus Henderson is compliant with the principal adverse impacts rules under Article 4 of SFDR can be found on relevant jurisdictional websites at janushenderson.com.

FOR MORE INFORMATION, PLEASE VISIT JANUSHENDERSON.COM

Janus Henderson
— INVESTORS —

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