

Responsible Investment Policy

OUR APPROACH

To fulfill our promises and financial commitments to our policyholders, which may arise many years in the future, we seek to responsibly invest the premiums we collect in high-quality, primarily fixed-income assets which generate appropriate risk-adjusted returns. When evaluating otherwise-equivalent investments, we prefer to invest in companies with strong or improving environmental, social and governance (ESG) practices and whose activities are generally consistent with CNO's values. CNO's wholly owned investment adviser, 40|86 Advisors, Inc. (40|86), manages assets on behalf of CNO and its insurance companies.

We are committed to responsible investment and the incorporation of ESG factors where consistent with 40|86's fiduciary responsibility to manage assets in a manner that is in the best interests of its clients. Our investment approach centers on developing high-quality portfolios diversified across asset classes, that closely adhere to risk tolerances and practices. Integration of ESG principles into our investment processes may enhance our ability to identify, evaluate, monitor and react to investment risks in a manner that promotes the objectives of our clients, particularly over the long term.

Since 2020, CNO has been a signatory to the Principles for Responsible Investment (PRI). The PRI is an investor initiative in partnership with the United Nations Environment Programme Finance Initiative and the United Nations Global Compact. As a signatory, we are committed to the adoption and implementation of PRI's six principles:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the principles.
- Principle 6: We will report on our activities and progress toward implementing the principles.

CNO's status as a PRI signatory underscores our commitment to incorporating ESG principles into the investment decision-making process and furthering our active ownership efforts. With this in mind, 40|86 has developed a multipronged approach to responsible investing, with a focus on creation of long-term value for its clients. This approach includes ESG integration, engagement and proxy voting (in appropriate circumstances), adherence to investment exclusion guidelines and transparent reporting. 40|86 has also joined Ceres and strives to stay abreast of other relevant industry associations.

ESG INTEGRATION

Risk management is ingrained in 40|86's culture and processes. 40|86's investment methodology is based on a disciplined in-house research, investment and security selection process that leverages the deep expertise of its seasoned investment teams. 40|86's investment capabilities include deal origination, asset acquisition, trading, portfolio construction and monitoring, and risk management. 40|86's clients' assets are primarily invested in fixed income securities and related investments, and ESG factors are considered in connection with all asset classes, which primarily include:

- Residential mortgage-backed securities.
- Commercial mortgage-backed securities.
- Consumer asset-backed securities.
- Bank loans and related securitizations.
- Investment grade corporate bonds.
- Credit tenant loans.
- High yield corporate bonds.
- Commercial mortgage loans.
- Residential mortgage loans.
- Alternatives.
- Municipal bonds.

40|86 views ESG considerations as having the potential to impact the performance of a given investment, in particular:

- Risks associated with a given company related to compliance, governance, oversight, cybersecurity, taxes, transparency or executive compensation.
- Exposure to ethical scandals, integrity concerns, corruption or other controversial activities that have potential to impact stakeholder trust or reputational standing of the issuer.
- Prospective liabilities of an issuer resulting from its environmental impacts, including penalties imposed by government agencies, litigation risk or future remediation requirements.
- Going concern risks of a given company around product safety and suitability to market demands.
- How a company manages relationships with its employees, suppliers, customers and communities in which it operates, including issues related to human capital management, labor unrest, health and safety, human rights, customer responsibility, compliance with labor regulations, and general labor relations and conditions.

Portfolio Carbon Reduction Strategy

40|86 views climate risk as an important long-term risk factor to be considered in its investment decision-making. During 2021, we completed a carbon footprint analysis of the investment portfolio using information from third-party vendors and developed a related risk management strategy. We also seek to invest in companies that are working to transition away from carbon to renewable energy sources. 40|86 actively monitors and considers the extent of exposure to at-risk locations in CNO's commercial real estate and mortgage-backed securities portfolios, integrating physical climate risk and transition risk data into the loan origination process.

Impact Investing

Impact investing aims to serve two goals: to generate financial returns and to create positive impact in society at large. 40|86 earmarks \$100 million per year of its investment dollars for impact investments that further United Nations Sustainable Development Goals that align with CNO's values. These include municipal bonds, green/sustainable bonds, and impact funds that address environmental issues of affordable and clean energy, sustainable cities and communities, climate action, and promote health and well-being. We believe that making impactful investments, including those that accelerate positive change in our communities or support global climate stability, is fundamental to being a good corporate citizen.

ESG Integration in Investment Selection

When assessing credit risk related to any investment opportunity, 40|86 conducts a bottom-up security analysis focusing on individual sectors and security structure, with an emphasis on relative value that allows for the discovery of undervalued opportunities and a defined and rigorously implemented buy, review and sell discipline. This investment style is based on an investment philosophy that fundamental analysis can produce long-term favorable risk-adjusted returns.

40|86's portfolio managers and analysts have access to ESG research, analysis, scoring and rating results (ESG scores) from highly specialized third-party vendors. ESG scores from third-party providers offer useful data as a baseline to benchmark an issuer's performance against certain accepted ESG best practices. At this time, many ESG scores lack conformity in methodology and weighting between vendors and industries and are not intended to be a substitute for judgment. Third-party scores are primarily available for certain portions of the credit markets, including corporate bonds and some bank loans. Where scores are not readily available for assets, in many instances 40|86 determines its own internal ESG scores based on analyst research that includes reviewing key performance indicators and the ratings of similar peer issuers. For alternative investments, such as private equity and hedge funds, for which ratings are typically not available, we review and take into consideration the manager's ESG policies, when available.

The ESG score of a given issuer is integrated into the investment review and decision-making process. Third-party provided ESG scores are intended to supplement other traditional data collected during credit analysis prior to an investment decision. Our analysts and/or portfolio managers may engage with the issuer in order to better inform their judgment on the accuracy of the score.

At times, 40|86 may choose to forgo an investment based on its assessment of related ESG risks. Because ESG scores may not always be available and may be inconsistent or even misleading, 40|86 has not set a minimum score at this time. Rather, scores are considered alongside an issuer's entire ESG profile and other factors to obtain a complete picture of an investment opportunity. Generally, an investment opportunity would need to be very compelling to overcome an undue level of ESG risk that has been determined to be warranted after additional scrutiny.

In addition, CNO directs 40|86 to avoid investments in sectors that may have activities that appear inconsistent with CNO's values or that appear to pose significant ESG-related risks. Please see the section on Exclusion for further discussion.

ESG Integration in Investment Monitoring and Divestment

40|86 actively monitors existing holdings for changes in ESG scores or other indicators and takes those changes into consideration along with other relevant factors when making investment decisions, including whether to hold or divest specific investments. Among the factors monitored are recent issuer controversies, changes in the issuer's ESG score, and the issuer's carbon footprint.

ESG Integration in Portfolio Manager Incentives

All associates at 40|86 are eligible for an annual cash incentive bonus that rewards associates for delivering targeted financial results. The 40|86 plan includes an ESG investment metric in recognition of the significance of ESG to our investment and business strategies. More information can be found in CNO's Proxy Statement.

ENGAGEMENT POLICY

Our primary investment focus is that of a long-term investor in fixed-income securities. We believe engagement is most effectively employed by 40|86 in targeted circumstances to promote open two-way dialogue with selected issuers when existing policies and disclosures are insufficient to inform judgment on the ESG-related risks of a given investment, industry or geography.

Notwithstanding our fixed-income investment focus, 40|86 is enhancing its engagement policy and seeks to achieve the following objectives through issuer engagement (for example, through direct outreach or proxy voting):

- Engage in dialogue and seek appropriate resolution when a controversy or governance issue arises.
- Better understand the ESG-related risk profile of the companies in which we invest, including the materiality of a given issue.
- Reconcile deficiencies showing in third party-provided ESG scores with relevant facts, practices and policies of an issuer.
- Encourage enhanced disclosure of relevant ESG-related risk exposures.
- Manage and mitigate financial exposure to ESG-related risks.

REPORTING

CNO believes that it is important to report on the activities covered by this policy in order to promote transparency and accountability to our goals. As a signatory of the PRI, we are committed to the adoption and implementation of PRI's six principles, including that we provide transparency on our activities and progress toward implementing the principles. Our first PRI report is due in 2024, covering the calendar year 2023. Our Corporate Social Responsibility Report and other documents regarding our ESG approach and investment philosophy may be found in the Sustainability section of our website [CNOinc.com](https://www.cnoinc.com).

PROXY VOTING

Although we invest primarily in fixed-income securities, CNO or one of our insurance companies may hold equity securities with voting rights. In such instances, 40|86 seeks to use its discretionary voting authority to enhance the long-term value of such investments through promoting sustainable business practices in a manner that is consistent with this policy, its proxy voting guidelines and client-directed investment guidelines.

40|86's portfolio managers make their own determinations with respect to proxy voting, using their discretion to determine the best course of action in accordance with their duties and obligations as an investment manager. Proxies and shareholder proposals of an environmental, social or governance nature are reviewed carefully and are voted in accordance with applicable investment guidelines and policies. To help inform its opinion, 40|86 reviews certain external resources as appropriate, including third-party ESG score providers, credit rating agencies and sell-side ESG research reports.

EXCLUSION POLICY

CNO directs 40|86 to avoid investing in companies engaged in certain controversial activities that do not align with CNO's values or that we believe pose significant ESG-related risks, including, but not limited to, companies in the tobacco, firearm, gaming, private prison, coal, predatory consumer lending and single-family rental industries. 40|86 implements exclusions based on client-specific investment guidelines. No investments are made in countries or issuers on the Office of Foreign Assets Control sanctions list.

DEDICATED RESOURCES AND OVERSIGHT

40|86 has dedicated resources offering internal support and advice specific to ESG-related investment matters through the Responsible Investment Steering Committee, which is led by the chief investment officer. The Responsible Investment Steering Committee meets regularly and has primary responsibility for (1) the development of ESG investing best practices, (2) communication and socialization of ESG-related responsibilities, (3) implementation of responsible investment practices and policies and (4) the monitoring of ESG-related compliance, in each case, in accordance with investment guidelines, client expectations and fiduciary duties. Summary reports of our portfolio's ESG scores and carbon footprint are regularly presented to the Responsible Investment Steering Committee.

40|86 believes that each of its associates plays a key role in its responsible investing efforts. Research and decision-making across all portfolios are based on a team approach, which extends to ESG analysis and the integration of ESG factors into the overall investment process. 40|86 associates receive training on the ESG processes and policies, including an overview upon hire and ongoing, specialized training for those involved in investment decisions. 40|86 associates also play a key role in the ESG efforts of the broader CNO enterprise.

Representatives from 40|86 facilitate communication of its responsible investing efforts and act as advisors to certain of CNO's corporate social responsibility functions. The Investment Committee of the CNO Board of Directors, which oversees our investment activities, is regularly updated on our ESG efforts and as material circumstances warrant.

UPDATES

What constitutes responsible investing and sustainability are constantly evolving judgments. We value the feedback of our clients, regulators, business partners and other stakeholders, which we believe is important to our goal of continuously improving our approach to responsible investment and ESG topics. This policy is reviewed and, if necessary, updated on an annual basis.

ESG POLICY SCOPE

This policy applies to CNO's investment activities as an asset owner across all general account assets for the company's wholly owned insurance company affiliates. However, the level of integration of ESG factors, exclusions and other responsible investment concepts into 40|86's investment management decisions may vary by client, asset class and investment strategy, including with respect to adherence to client-specific investment guidelines.

40|86 serves as the sub-advisor for various collateralized loan obligations (CLOs) with third-party investors. While the ESG considerations outlined here generally apply to all investments selected by 40|86, the CLOs are subject to investment guidelines set forth in their respective indentures. Therefore, ESG considerations may be integrated as one factor in investment decisions for the CLOs but only to the extent that the investment criteria and 40|86's fiduciary duty to the CLOs are otherwise satisfied.

Any external managers of CNO assets are also requested and encouraged to integrate ESG principles into their investment processes and reporting.

ESG COMMITMENT OF CNO

At CNO, we maintain a strong commitment to sustainability and ESG across our business activities. For more details, please refer to the CNO Corporate Social Responsibility Report on the Investors page of [CNOinc.com](https://www.cnoinc.com).

In evaluating an issuer, 40|86 is dependent upon information and data that may be incomplete, inaccurate or unavailable, which could cause 40|86 to assess incorrectly a company's alignment with CNO's values. Material ESG factors vary widely from industry to industry and company to company. Additionally, ESG factors may be evaluated differently by different managers, and may mean different things to different people. 40|86's assessment of a company's ESG factors may change over time, which could cause us to hold securities that no longer comply with this policy. Commitments made as a signatory to the PRI are voluntary and aspirational, and not legally binding. The implementation of the six PRI principles is subject to 40|86's fiduciary responsibilities.