

Table of Contents

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Researchers use 3D structures of protein complexes to uncover how proteins interact with each other to carry out normal functions. In our annual corporate sustainability report, we uncover how we act as an asset manager, employer and corporate citizen to carry out our sustainable values.

INTRODUCTION	3
Letter From the CEO	3
SUSTAINABILITY AS OUR FOUNDATION	1
Our Impact on Health and Well-Being	
Uninterrupted Funding for Medical Research	
Therapies to Invest in Further Medical Research	
Training a New Generation of Biomedical Research	ners/
SUSTAINABILITY AS AN ASSET MANAGER	10
Sustainable Investing	11
Principles of Sustainable Investing	11
Our Approach to Climate Risk and Opportunity	19
Science Spotlight: Impacting Human Health	21
SUSTAINABILITY AS AN EMPLOYER	22
Diversity, Equity and Inclusion	23
Our Approach: Learn, Unlearn and Relearn	23
Science Spotlight: Cancer	27
Health and Well-Being	28
Wellness Policies and Health Benefits	28
Culture	30
Science Spotlight: Diabetes and Metabolism	
Community Involvement	34
Giving Time	34
Giving Talent	35
Giving Treasure	
Science Spotlight: Brain and Memory	39

USTAINABILITY AS A CORPORATE CITIZEN	40
Green Office Initiatives	41
The Green Team	41
Facilities Department	42
Science Spotlight: Infertility	45
Governance	46
Ownership	46
Boards of Directors	47
Management Committee	48
Science Spotlight: Aging and Regeneration	49
Ethical Business Conduct	50
Business Code of Conduct	50
Code of Ethics	50
Product Governance	50
Anti-corruption and Bribery	50
Political Contributions	51
Human Rights	51
Science Spotlight: Congenital Conditions	52
Risk Management	53
Cybersecurity, Data Protection and Client Privacy	53
Business Continuity and Resiliency	54



Sustainability isn't just something we practice; it is part of who we are as a company and how we view our role as global citizens.

At American Century Investments, we're committed to delivering investment performance and to making a difference. We are proud of our history of helping clients achieve financial success while also making a positive impact in the world.

We call it **Prosper with Purpose**®, and it is at the core of everything we do.

Our story began in 1958 with a passion for delivering superior, long-term, risk-adjusted performance for our clients. Today, thanks to the vision, generosity and conviction of our founders, Jim E. Stowers Jr. and his wife, Virginia, every client who works with us is also supporting life-changing medical research and promoting world health and well-being.

After their personal experiences with cancer, Jim and Virginia established the Stowers Institute for Medical Research, a biomedical research organization dedicated to uncovering the causes, treatments and cures for life-threatening diseases like cancer, diabetes and dementia. And through our incredibly unique ownership structure, American Century distributes over 40% of our profits to ensure the ongoing support of this innovative medical research, resulting in nearly \$2 billion in dividend payments to the Stowers Institute since 2000.

Sustainability is truly in our genes, and as we help our clients achieve financial success, we make an impact on advancing **U.N. Sustainable Development Goal 3 - Ensure Healthy Lives and Promote Well-Being for All at All Ages** through this unique business model. Providing investment solutions that incorporate sustainability principles is a natural extension of the impact our firm creates.

Not only do we have a direct impact on health through our relationship with the Stowers Institute, as an employer we also have a direct impact on the health and well-being of our teammates through our workplace policies, benefits and culture. We offer robust health plans and wellness programs and partner with our people to serve the community in ways that are personally meaningful to them.

And we believe a diverse team, representing different perspectives, leads us to a stronger understanding of our clients and allows us to deliver superior solutions and build long-term relationships. We're committed to the continued growth of an inclusive culture that maximizes each teammate's talents so that all voices are recognized, heard and valued.

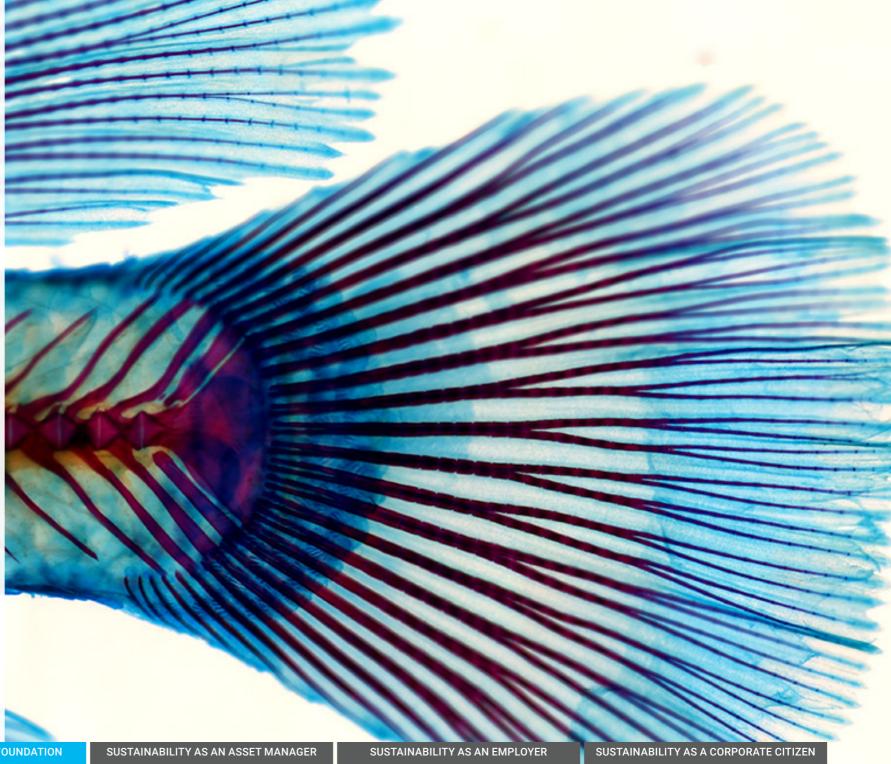
I invite you to learn more about what we've achieved and the ongoing efforts that fuel our purpose-driven culture in our 2022 sustainability report.

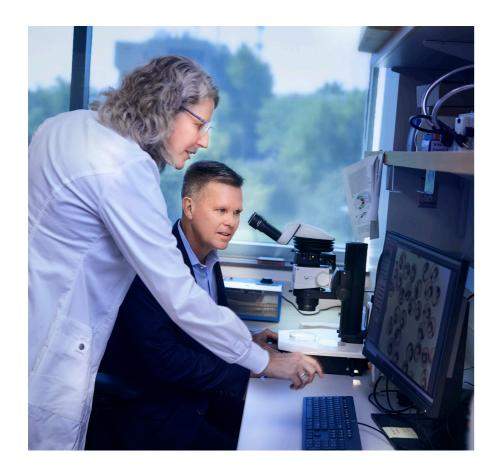
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The tail of the African killifish, *Nothobranchius furzeri*, is dyed to visualize its skeletal components: cartilage stains blue, while bone stains red. Our ownership structure with the Stowers Institute supports and shapes the rest of our sustainability work.





Tatjana Piotrowski, Ph.D., a developmental biologist and Stowers Institute investigator, shows Jonathan Thomas, American Century president and CEO, a clutch of unhatched zebrafish embryos. The Piotrowski Lab aims to dissect complex developmental and regenerative processes in vivo and at high resolution.

Our Impact on Health and Well-Being

To us, sustainability means doing good for the world while we do well for our clients. It encompasses fair and transparent business conduct, equitable hiring and workplace policies, socially responsible investments for our clients, sustainable environmental practices, robust business ethics and more. But sustainability is more than the sum of everything we do as money managers and corporate citizens; it is who we are.

Sustainability is in our genes because our controlling owner is a world-class biomedical research organization and we direct more than 40% of our dividends to its efforts to better understand human health and life-threatening diseases. Since 2000, we've sent nearly \$2 billion to the Stowers Institute for Medical Research.

This isn't a discretionary line item on our budget. It is our structure and shapes everything we do.

That's because this ownership structure, the only one like it in the industry, means employees and clients of American Century help support the Stowers Institute's mission: to make a significant contribution to

humanity through medical research by expanding our understanding of the secrets of life and by improving life's quality through innovative approaches to the causes, treatment and prevention of diseases. We fund the Stowers Institute's research to promote well-being for all at all ages, which is the United Nations' third sustainable development goal. This sets us apart as an asset manager generating an impact on global health while helping clients achieve financial success.

Uninterrupted Funding for Medical Research

Our unique standing as an asset manager with an impact on well-being is due to the ingenuity and generosity of our founders. Jim and Virginia Stowers recognized the complexity of treating and curing diseases demanded an innovative approach to ensure long-term, reliable and independent funding for research. In granting an equity stake in American Century to the Stowers Institute, they provided an uninterrupted funding source for foundational research.

The Journey From Basic Research to a Great Discovery to an Approved Treatment

After decades of research, scientists at other institutions reported that a single gene mutation blocking expression of sclerostin prevented some patients' bones from breaking.

In the early 2000s, Stowers Institute Investigator Robb Krumlauf, Ph.D., and his team discovered Wise, a protein related to sclerostin. Over the next decade, the laboratory conducted experiments to deepen the understanding of how Wise and sclerostin controlled bone growth.

The intellectual property was licensed to Amgen with the help of BioMed Valley Discoveries.

Phase 1 and 2 trials for romosozumab began.

Phase 1 trials were completed.

Phase 2 trials were completed.

Phase 3 trials for romosozumab began.

Phase 3 trials were completed.

In January, the U.S. Food and Drug Administration approved the drug <u>romosozumab for patients with osteoporosis</u>. It is the only medicine that can promote bone growth.

In 2010, Jim and Virginia Stowers committed in their **Giving Pledge** that: "More than 99% of our wealth will go to philanthropy during our lifetime or at death. ... Virginia and I wanted to give back something more valuable than money to the millions of people who made our success possible with American Century Investments. ... Our vision is to make a significant contribution to humanity through medical research by expanding our understanding of the secrets of life and by improving life's quality through innovative approaches to the causes, treatment and prevention of diseases."

The financial strength and sustainability derived from the Stowers Institute's ownership of American Century has attracted scientists from around the world interested in pursuing innovative and creative investigations in the biological sciences. Due to this funding model, scientists at the Stowers Institute can focus on research rather than grant writing, publishing more than 1,900 scientific papers since 1997 and working on 150 ongoing research projects. And they focus on foundational research that is oftentimes difficult to support through private donations or federal grants.

According to <u>The Case for Curiosity: Why Basic</u> <u>Research Matters</u> from the Stowers Institute, the idea



Jim and Virginia Stowers in 2006

that funding basic research is a proven route to new and better ways of treating disease is not controversial. "In fact, it is why Jim and Virginia Stowers created the Institute. As an illustration, Investigator Tatjana Piotrowski, Ph.D., recalls a conversation she had with Jim Stowers in 2010. When asked what he might like her to work on, Mr. Stowers said, 'Well, you're the scientist. You should know what is important.""

2011 2012

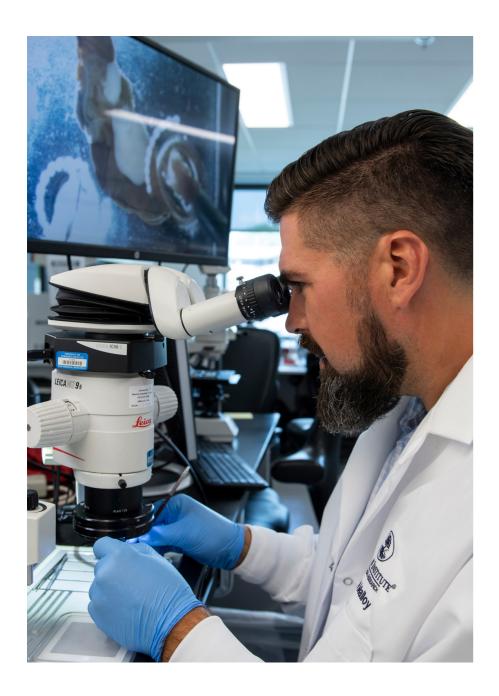
2013

2014

2015

2017

2018



Stowers Institute researchers don't need to advocate for the importance of funding basic research. As Jim and Virginia Stowers pledged, "We believe whenever the very best scientists work together as a team, supported by dedicated leaders, advanced technology and uninterrupted funding, great discoveries will happen."

The Stowers Institute published 89 scientific papers in 2022, with implications on everything from neuro-degenerative pathologies like Alzheimer's, metabolic conditions such as diabetes, inflammatory illnesses, congenital conditions, the sense of smell, hearing loss and reversal and tissue regeneration.

Therapies to Invest in Further Medical Research

When it is time to turn discoveries into therapies that reach people and improve their health, BioMed Valley Discoveries (BVD), a for-profit clinical-stage biotechnology company also founded by Jim and Virginia Stowers, focuses on unmet patient needs across different therapeutic and diagnostic areas, including cancer, inflammation and infectious disease. BioMed Valley Discoveries is designed to help patent, license and commercialize discoveries that may lead to therapies, so researchers don't have to stop researching.

One hundred percent of BioMed Valley Discoveries' net profits will be directed to support the mission of the Stowers Institute.

BioMed Valley Discoveries has three active programs in the oncology space, two of which are clinical stage. BVD is currently conducting multiple clinical trials, including one in phase 2 for a first-in-class cancer therapy targeting a specific genetic mutation.

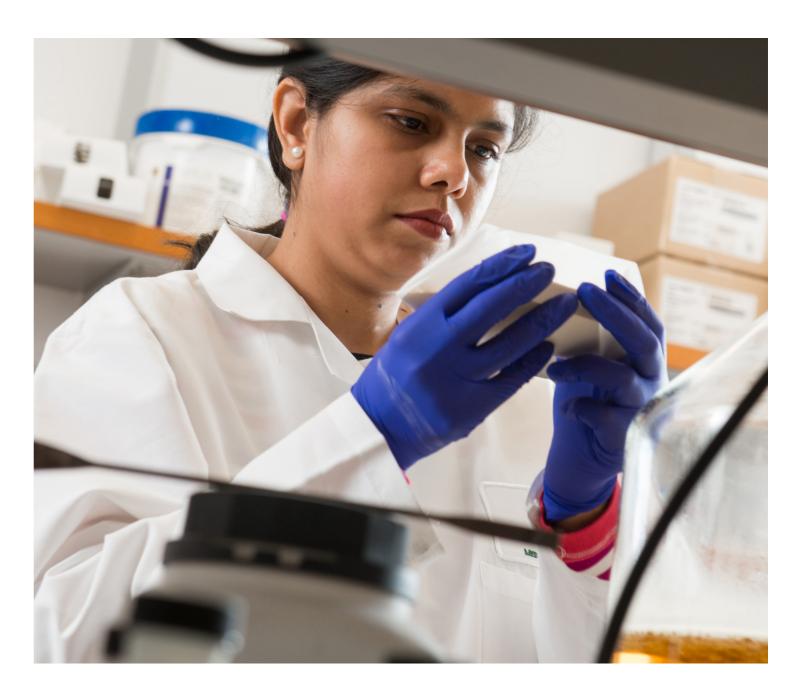
Training a New Generation of Biomedical Researchers

The Graduate School of the Stowers Institute for Medical Research prepares predoctoral researchers from around the world for the pursuit of innovative and creative investigations in the biological sciences. The program focuses on extending the ability of predoctoral researchers through hands-on laboratory experience that stresses highly critical thinking in combination with in-depth training in the latest methodologies.

"Here at the Graduate School, our predoctoral researchers have the academic freedom to offer different points of view and engage in active discussions about foundational scientific truths. Science at the Stowers Institute is often unexpected,

exploring the unknown, and our predoctoral researchers have the chance to experience that firsthand," said Alejandro Sánchez Alvarado, Ph.D., executive director and chief scientific officer at the Stowers Institute and a faculty member for the Graduate School.

The school admitted its first class of predoctoral researchers in 2012, with the first predoctoral researcher completing the doctoral program in 2016. The school currently enrolls 40 predoctoral researchers and has 23 doctoral graduates, in addition to training predoctoral researchers from other programs.



The Stowers Institute by the Numbers 500 staff members National Academy of Sciences members researchers providing core scientific support Howard Hughes Medical postdoctoral affiliated graduate researchers and fellows Institute investigator programs American Academy of Arts and Sciences fellows Stowers Graduate predoctoral School training programs American Association for the Advancement of Science fellows ongoing research projects STOWERS INSTITUTE FOR MEDICAL RESEARCH Same and reserved for some of the

SUSTAINABILITY AS AN ASSET MANAGER

SUSTAINABILITY AS A CORPORATE CITIZEN

SUSTAINABILITY AS AN EMPLOYER

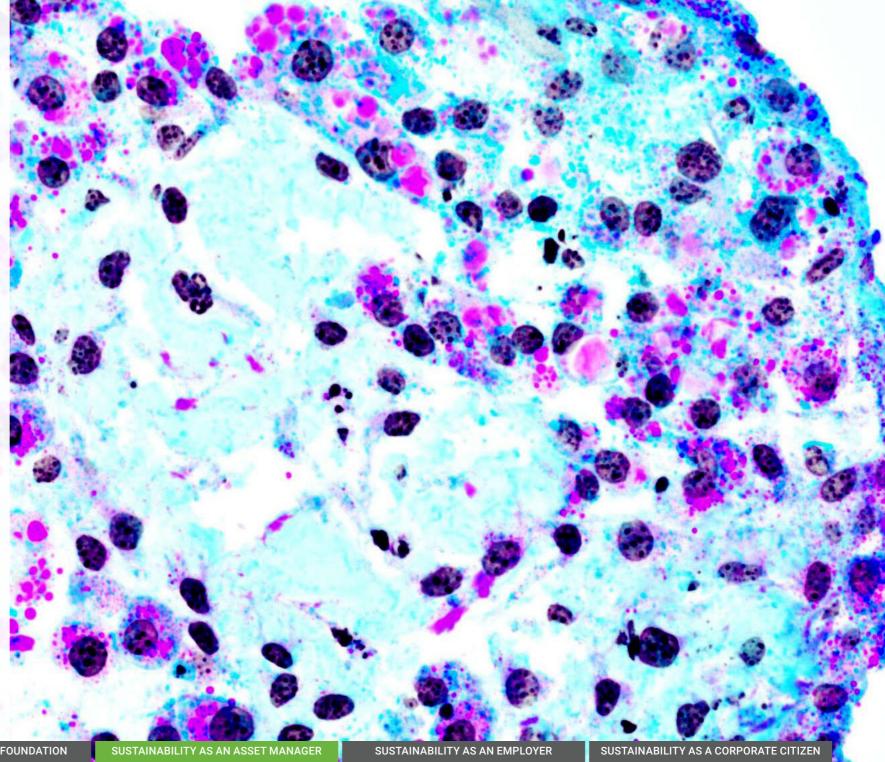
SUSTAINABILITY AS OUR FOUNDATION

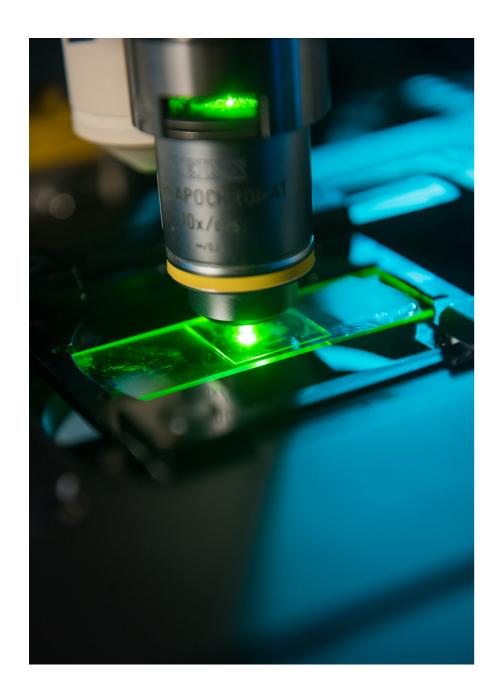
TABLE OF CONTENTS

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A section of an adipose organoid, which helps researchers capture complexities of developing organs in a culture dish, allowing them to explore more. Our sustainable investing approach helps us capture additional risks and opportunities, allowing us to deliver better outcomes to clients.





Sustainable Investing

Our history of sustainability begins with American Century's relationship with the Stowers Institute, through which we impact global health while helping our clients achieve financial success. This purpose-driven business model has helped shape our culture and makes incorporating sustainability principles into our investment practices a natural fit for us. We believe integrating sustainability-related factors into the investment process helps us deliver better long-term, risk-adjusted returns for our clients.

We have been incorporating environmental, social and/or governance (ESG) considerations into our investment capabilities for many years. We began with socially responsible investing, using an "exclusions" approach, in 2006. In 2014, we began formally integrating material ESG considerations into several global and non-U.S. flagship strategies with the goal of better managing risks and opportunities.

Since that time, we have significantly expanded our sustainability efforts. This includes:

 Establishing and growing our dedicated Sustainable Research team.

- Building proprietary sustainability-focused research models and tools.
- Expanding integration across many of our investment strategies.
- · Enhancing our approach to stewardship.
- Launching ESG-focused solutions for clients.

Principles of Sustainable Investing

The sustainability of a company or issuer increasingly depends on how it manages a range of stakeholders. While the potential impact of climate change on the global economy and on individual companies is widely acknowledged, an issuer's ability to effectively manage other sustainability-related issues can also have material implications for its long-term viability. This is evident in the significant growth in the value of intangible assets on corporate balance sheets. For example, intangible assets such as human capital, data and technology, and brand image now drive more than 90% of the S&P 500's market value. These assets are inextricably linked to sustainability, making the integration of ESG factors into the investment process more important than ever.

American Century's sustainable investing is grounded in three principles:



1. An Investment-Led Approach

Performance is always our primary focus. Our investment teams drive our approach to sustainable investing because we believe integrating material sustainability-related risks and opportunities into the investment process can lead to more informed decisions and better outcomes.



2. Independent Insights

Our conclusions are driven by proprietary research and tools. As active managers, our Sustainable Research team and investment teams work together to develop tools that help drive smarter insights and better results.



3. Innovation

To stay ahead of ongoing developments in approaches to sustainable investing, we partner with clients to develop capabilities and strategies designed to achieve their investment goals.

1. Investment-Led Approach

Our approach to sustainable investing is investment led, as we believe that integrating sustainability-related factors into our fundamental investment process allows us to assess the long-term sustainability of an issuer's business model or durability of cash flows over time more holistically. We believe ESG issues can be important inputs into the fundamental analysis process and may contribute to downside risk mitigation or the understanding of upside potential of an investment's long-term value. That is why many of our investment teams incorporate ESG considerations into their investment processes.

Though our approach is investment led, sustainable investing is a strategic focus for American Century and enjoys a firmwide commitment, supported by more than 200 colleagues across business areas including legal, compliance, marketing, distribution, product, information technology (IT) and more, in addition to our investment organization.

Oversight

The firm's Management Committee, which is charged with setting American Century's strategic priorities, provides general oversight for the firm's overall sustainable investing strategy and commitment. Direct oversight and accountability for sustainable investing activities fall under the chief investment officer (CIO), who works with the discipline CIOs to oversee the investment teams' efforts to account for material ESG issues within their investment processes. The Investment Leadership team that comprises discipline CIOs and other senior leaders across the investment organization serves as the governing body for investment practices, including sustainable investing initiatives.

Our head of sustainable investing reports to the CIO and is responsible for driving and executing the firm's sustainable investing strategy and overseeing our dedicated Sustainable Research team.

Dedicated Sustainable Research Team

Our Sustainable Research team is a part of our investment organization and provides expertise to support our investment teams. Each investment discipline has a dedicated sustainable research analyst who works closely with the respective team and seeks to incorporate sustainability-related issues into fundamental analysis and portfolio decision-making. The Sustainable

Research team is responsible for:

- Expanding issuer-specific and thematic research.
- Developing sustainability assessment models and tools.
- Advancing stewardship practices.
- Providing internal training on sustainability concepts and approaches.
- Publishing insights to educate clients on various aspects of sustainable investing.

Sustainable Investment Council

To underscore our investment-led approach to sustainable investing, the firm's Sustainable Investment Council meets regularly to facilitate our sustainable investing strategy, promote best practices and support the consistency of our integration approach. The Council includes our head of sustainable investing and seasoned portfolio managers across all of our investment disciplines. To accelerate progress, the Council has established subcommittees to execute initiatives across key areas: integration, proxy voting, engagement, climate analysis, impact investing and communications.

2. Independent Insights

An integration approach to sustainable investing has become extremely popular around the world and differs markedly

from approaches that screen out specific companies or entire sectors. American Century sponsored a survey of institutional investors in the Nordic countries and the Netherlands (widely viewed as leaders in sustainable investing) that shows ESG integration is now their preferred approach.

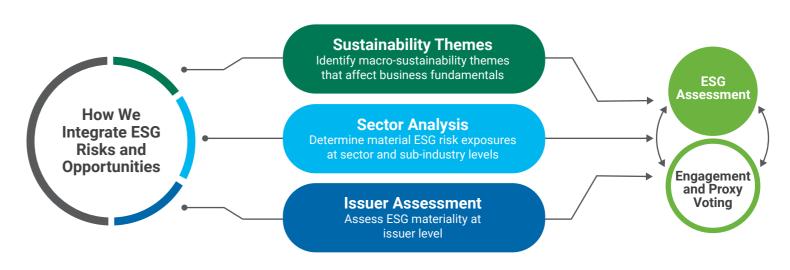
Guided by our Sustainable Research team, we apply a proprietary materiality mapping framework to develop issuer-level ESG assessments that can be used to integrate ESG factors into our investment processes. Our mapping framework helps us to identify material ESG risks and opportunities across three layers of analysis: key sustainability themes, sectors and issuers. Assessments include a proprietary ESG scorecard application based on the most material ESG risk(s) given an issuer's sub-industry involvement. The scores are intended to capture an

issuer's current ESG management practices and a qualitative view of whether the issuer is improving or worsening over time. The assessment results in a final ESG rating that is composed of an ESG score and a trend signal for an issuer. ESG assessments may also help determine our engagement objectives and priorities, and those engagement outcomes may influence our ESG assessments and proxy voting.

Our investment teams are responsible for incorporating an issuer's ESG assessment into their investment thesis, focusing on performance implications.

Data Driven

In developing issuer-specific ESG assessments, we rely heavily on reported disclosures (e.g., 10-K, 10-Q, 20-F,



13



GRI-compliant or equivalent sustainability reports, proxy reports). We also utilize specialized data sets from governments and nongovernmental organizations and a wide variety of publicly available sources such as UNESCO, World Bank, U.N. Development Program, Federal Emergency Management Agency, among others. Our in-house ESG assessment tools may leverage third-party data from providers such as MSCI, Sustainalytics and Institutional Shareholder Services, but it is important to note that we do not rely exclusively on third-party data or ratings. Our conclusions are based on proprietary processes and research.

We are also expanding our climate data and the technology needed to support it. Enhanced capabilities related to climate data will include implied temperature rise and climate scenario testing.

Training

Training is an essential way our teams collaborate to advance sustainable investing insights. The Sustainable Research team provides regular educational opportunities that allow our investment organization to stay abreast of sustainability trends, methodology developments and best practices. Recent training topics have included modern slavery,

the European Union's Sustainable Finance Disclosure Regulation, physical climate change risk and biodiversity. Specific portfolio team-level training also advances the application of sustainability knowledge and facilitates the ESG integration within a team's investment process.

Separately, our Sustainable Research team continually monitors new regulations and key sustainable investing initiatives. The team works with our legal and compliance departments to provide internal updates on any changes that may impact our business areas.

Stewardship

We view engagement and proxy voting as tools to help drive returns for our clients. Therefore, our stewardship activities focus on material sustainabilityrelated issues that we believe could potentially impact a company's value and on key themes that we believe are important to a sustainable economy.

Engagement. Our engagement practices are managed by the Sustainable Research team but may be conducted by or in collaboration with investment teams. Engagement topics may include:

- · Biodiversity.
- Clean technology.

- · Climate change.
- Cybersecurity.
- Diversity, equity and inclusion.
- Health and safety.
- Modern slavery.
- · Shareholder rights.

Objectives for engaging with investee companies vary but often include opportunities to:

- Understand a company's approach to managing sustainability-related opportunities and risks, including controversial activities.
- Encourage transparency around material sustainability-related issues.
- Discuss best practices and industry standards with respect to sustainability.
- Establish expectations to encourage positive changes in a company's practices.
- Inform the positions we take on shareholder proposals.

Engaging with investee companies can have various outcomes and "success" depends on the issue, its materiality, our objectives and time frame. Outcomes may include fact-finding, encouraging change, proxy voting decisions, adjustments to portfolio weights or valuations, or (rarely) divestment.

Our engagement activities are centralized in a shared research platform, facilitating collaborative efforts and increased transparency across our investment teams. We have expanded the scope of our engagement activities from primarily fact-finding and disclosure to also include change facilitation where appropriate.

Proxy Voting. Proxy voting allows us to demonstrate our commitment to sustainability issues and further promote sustainable practices. Our voting on ESG-related resolutions focuses on *financially material* issues that we believe can affect long-term shareholder value. Relying on a range of inputs, including Institutional Shareholder Services' socially responsible investment proxy recommendations, our Sustainable Research team makes specific voting recommendations to portfolio managers. The team generally recommends support for well-targeted ESG-related proposals where we see a rational link between a proposal, its economic impact and its potential to maximize long-term shareholder value.

Examples of proxy voting issues related to sustainability include:

- · Board diversity.
- · Board independence.
- Director over-boarding.
- · Environmental disclosures.

- · Gender pay gap.
- · Labor practices and supply chain management.
- · Shareholder rights.

Portfolio managers have final authority on voting decisions.

3. Innovation

American Century's approach to sustainable investing and our proprietary sustainable investing tools are true differentiators. These include:

- A thematic approach that views sustainability holistically rather than as siloed E, S and G issues.
- Our materiality map driven by academic research and designed to identify material ESG risks and opportunities by sector and sub-industry.
- Our enhanced ESG scorecard that incorporates peer-relative data and includes a dynamic trend signal for relevant ESG factors.
- A proprietary sovereign model of country-level economic growth-based population, savings, output (capital, technology and labor), capital stock and capital investment.
- A municipal model that adapts the approach used in our sovereign model to U.S. states and municipalities.

- Our fixed-income C.R.E.D.I.T. tool that allows credit analysts to take a market-based mindset toward ESG and directly reflect ESG costs into modeled fair value spreads.
- Our S360™ platform, in development, that is bringing our in-house ESG tools and data together, providing wide-ranging views of issuers and our portfolios in terms of their sustainability risks and opportunities.
- · Collaborations with academics to advance sustainability research.
- Client partnerships that include engagement and investment solutions focused on achieving specific sustainability objectives.

Themes

We believe that most of the challenges and opportunities that businesses face related to sustainability cannot be assessed independent of other drivers of economic sustainability and growth. In 2022, we enhanced our analyses with a focus on key sustainability themes and related subthemes that we believe are key to building sustainable economies in which businesses can thrive. Four of the themes align directly with U.N. Sustainable Development Goals (SDGs) that are critical to achieving sustainable economic prosperity: health care, empowerment, sustainable living and climate. While the fifth, technological advancement, does not explicitly align with an SDG, we believe it is key to achieving a more inclusive, productive and sustainable economy.

Within each mega-theme, we have identified subthemes and trends that represent both risks and opportunities across environmental, social, regulatory and (critically) innovation issues that we believe will drive the





Innovative treatment

More productive med equipment and services

Access to medicine and health care services

New solutions to lower health care costs



Empowerment

Diversity, equity and inclusion

Wage structures

Human/labor rights

Upward mobility



Sustainable Living

Recycling

Production
Food systems

Product life extension



Climate

Alternative energy
Biodiversity

Water

Climate mitigation

Climate tech



Technological Advancement

Digitalization

Fintech

E-commerce

Connectivity

Automation

global economy over the next three to five years. Using this perspective, we analyze these issues for a given issuer and its supply chain to assess its sustainability holistically. These themes also drive our sustainable investing research and engagement priorities.

The S360™ Platform. Our proprietary platform, S360™ (Sustainability 360™), which as of the date of this report is in development, is bringing our in-house sustainability-related tools and data together to provide a holistic view of relevant risks and opportunities for individual issuers and portfolios. The project is well underway, and we are looking forward to accelerating our capabilities through this innovative and comprehensive assessment application that will include:

- Our enhanced, research-driven materiality map that identifies material ESG risks and opportunities by sector and sub-industry.
- Our ESG scorecard that incorporates peer-relative data and includes a dynamic trend signal for relevant ESG factors.
- Expanded *climate analysis* capabilities that will include implied temperature rise and climate scenario testing.
- A structured assessment of an issuer's alignment with key sustainable investment themes, based on both revenue and capital expenditures.

- Integration with our proprietary fixed-income
 C.R.E.D.I.T. tool, which gives our credit analysts a
 market-based view of ESG-related risks and incorporates them into fair value spreads.
- Engagement activity including progress and outcomes with investee companies.
- A sovereign dashboard showing output from our proprietary model of country-level economic growthbased population, savings, output (capital, technology and labor), capital stock and capital investment.
- A municipal bond dashboard that adapts the approach used in our sovereign model to U.S. states and municipalities.

Sustainable Investing Solutions

As investors have varying objectives, we do not take a onesize-fits-all approach. Innovation drives our sustainable investing solutions that include both ESG-integrated and ESGfocused capabilities. We also partner with clients to create customized solutions that focus on specific sustainable characteristics or outcomes.

The industry typically defines ESG integration as the explicit inclusion of ESG-related factors into investment analyses and decisions. We see ESG integration as an approach that falls under a broader sustainable investing umbrella. Because sustainability affects an issuer's long-term outlook and value,

we incorporate ESG-based analyses into the investment process for many of our strategies. As active owners, "integration" for American Century reflects the industry standard definition as well as our commitment to stewardship (engagement and proxy voting).

Importantly, our approach to integration is inclusionary rather than exclusionary. We believe staying invested and utilizing our stewardship capabilities can lead to better financial and real-world sustainability outcomes. We emphasize integration, and our views are most often reflected in position size, duration and holding period. Integration, rather than an exclusionary approach, also provides the opportunity for our teams to 1) engage with issuers on material sustainability-related issues associated with industries or sectors that may be identified as controversial spaces and 2) vote resolutions focused on material ESG-related issues that we believe can affect long-term shareholder value.

While we emphasize integration, we do recognize clients have different objectives, and we also offer exclusionary approaches aligned with clients' preferences in terms of risk, return and sustainability.

For ESG-integrated strategies, the focus is on delivering superior risk-adjusted returns (alpha). Many of our strategies integrate ESG factors in analyzing an issuer's financial strength, ability to innovate, market position, quality of management

and so on. In other words, we analyze the potential impact of ESG-related risks and opportunities along with other considerations to make informed investment decisions; however, the presence of ESG risks may not dissuade us from holding a position. Our ESG-integrated strategies are not considered "ESG funds."

ESG-focused strategies are designed for investors who want to prioritize one or more sustainability-related outcomes; therefore, ESG factors tend to be more heavily weighted into the investment process for these strategies. ESG-focused strategies emphasize sustainability-related attributes or outcomes in addition to delivering a financial return. We refer to those outcome-oriented strategies as "alpha plus."

Our ESG-focused strategies are organized into three easy-to-remember categories: A-B-C.

- A Avoid: Exclude issuers whose business activities do not meet specific ESG criteria, values or norms.
- B Benefit: Support issuers that benefit stakeholders and society by demonstrating strong or improving ESG performance.
- C Contribute: Create a measurable, positive contribution to the environment and/or society by investing in issuers aligned with a specific theme or goal.

American Century's sustainable investing policy applies to those investment strategies that embed these sustainability-based considerations into the process. We will continue to expand our sustainable investing capabilities and enhance our policy to reflect evolving best practices in the industry.

ESG-INTEGRATED APPROACH Integration

ESG-FOCUSED APPROACHES



B - BENEFIT



Positive Screening/ Best in Class/ **Best in Progress**

Thematic/ Impact Investing

C - CONTRIBUTE

Intended Outcome*:

Better manage risks and improve returns.

*No explicit sustainability objective.

Intended Sustainability Outcome:

Reduce exposure to risks related to specific ESG issues or criteria.

A - AVOID

Exclusionary/

Negative Screening

Intended Sustainability Outcome:

Support companies that benefit stakeholders and society through the demonstration of strong or improving ESG performers.

Intended Sustainability Outcome:

Create a measurable and positive contribution to the environment or society by investing in companies aligned with a specific theme or goal.

Alpha Outcome

Alpha-Plus Outcome

Our Approach to Climate Risk and Opportunity

We seek to understand how issuers are positioned for a world that faces significant threats from climate change even as we work to decarbonize. We also believe that moving to a low-carbon global economy should be consistent with the Climate Justice Alliance's Just Transition initiative, which is an explicit area of focus in our climate-related engagements.

Our approach combines:

- Understanding how issuers are addressing climate risk and innovating solutions.
- Investing in issuers that provide innovative solutions to climate-related challenges.
- Exercising our rights as active owners to influence companies' policies and actions.

We assess individual issuers' climate risks using our proprietary materiality map and ESG scorecard, covering material climate-related risks and opportunities and their impact on an investment thesis. We use quantitative and qualitative environmental indicators, including:

 Environmental efficiency ratios, investments in environmentally conscious products and the cost of regulatory compliance.

- Processes for managing environmental compliance risk and footprint, asset integrity controls and supply chain issues.
- Aspects of governance related to environmental issues, including misconduct controversies/ remedial actions, board-level oversight of environmental and asset integrity (physical) risks, and aligning executive pay incentives with corporate environmental targets.

To measure climate-related risks at the portfolio and issuer levels, we developed:

- A carbon footprint tool that measures a client's portfolio exposure to carbon-intensive holdings and sectors relative to a benchmark.
- A stranded assets scenario tool that stress tests carbon-intensive portfolio holdings' relative margin of safety to service debt amid potential rising costs associated with evolving environmental and climate change regulations that affect the energy and power sectors.



Developing American Century's Climate Action Plan

We believe climate change and other sustainabilityrelated issues present material, systemic risks to the global economy and could affect long-term global market dynamics. We also expect to see tremendous investment opportunities arise as the world seeks to address these risks.

With that in mind, American Century is developing our own Climate Action Plan that will detail our approach to reducing our environmental footprint, including firm oversight and governance and baseline measures.

Affiliations

As we further our commitment to stewardship, we participate in a select group of affiliations and industry collaborations that promote sustainable investing. We prioritize involvement with a smaller, more targeted number of initiatives that align with our investment-led approach and advance our sustainability themes. These affiliations include:

HEALTH CARE

SUSTAINABLE LIVING

GENERAL /

ShareAction»

access to

FOUNDATION

medicine

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EMPOWERMENT







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Highlights From Our 2022 Collaborative Partnerships

- We are a member of the **Human Capital Management** Coalition (HCMC), a cooperative effort among a diverse group of asset owners to elevate human capital management as a critical component in company performance. HCMC engages companies and other market participants with the aim of understanding and improving how human capital management contributes to the creation of long-term shareholder value. Sarah Bratton Hughes, our head of sustainable investing, is also an active member of the HCMC council.
- We are a signatory to **Access to Medicine Investor Statement**, joining other investors to improve the understanding of how pharmaceutical companies manage risks and opportunities related to access-to-medicine issues and antimicrobial resistance. We also utilize Access to Medicine Foundation's research in investment analyses and engagement activities.
- We are a participant in the **Healthy Markets Initiative**, a movement spearheaded by **ShareAction** that aims to improve consumer health outcomes by targeting the food and beverage industry and advocating for healthier, more sustainable diets globally. While originally focusing on players in the grocery retail market, the initiative has begun putting an emphasis on engagement with food and beverage manufacturers.

Science Spotlight

Impacting Human Health

Science at the Stowers Institute for Medical Research begins in the lab, but where it may lead is boundless. Biomedical research can become medical breakthroughs and therapeutic advances that can bring healthier lives, the defeat of life-threatening diseases and improved human health.

That's the vision Jim and Virginia Stowers had in mind when they created the Stowers Institute out of nothing but their own generosity and ingenuity. The Stowers Institute works toward this vision to alleviate disease and improve human health as a world-class, influential center for biomedical research that spans life science disciplines and asks the big questions in biology. The science stories in this report highlight the **Stowers Institute's impact** through its ongoing research on cancer, diabetes, neurodegeneration, infertility, aging and regeneration, and congenital syndromes.

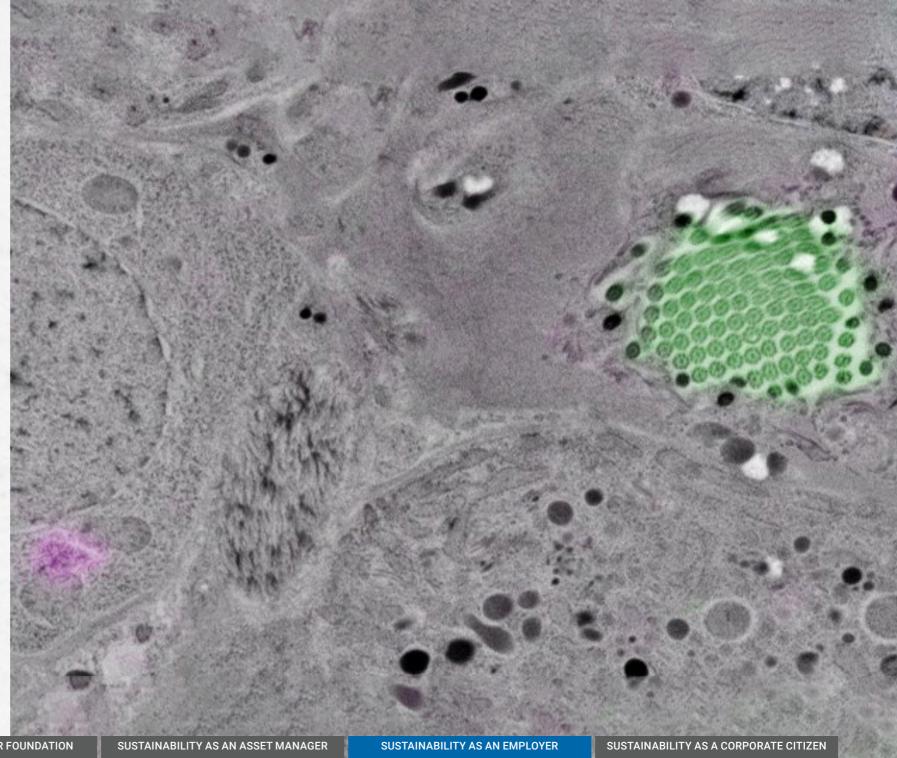


Jim and Virginia Stowers created the Stowers Institute and endowed it with 40% ownership of American Century to help finance its foundational medical research.

employer entry

PICTURED

An electron micrograph of a section through a planarian flatworm shows a stem cell on the left (with magenta) and a flame cell with cilia (in green) on the right. Though a single organization, American Century is made of up differentiated people in unique communities, and our health and success relies on the well-being of all our people.





Pictured left to right: Karen Heath-Wade, EMC member and summit participant, Donna Ginn, summit co-facilitator from WMFDP, and Linessa Frazier, summit organizer.

Leaders' Learning Journey

While everyone has a part to play in safeguarding an inclusive workforce culture, we hold our leaders to a level of accountability that exemplifies the standard of empathy, understanding, appreciation and progress we aspire to reach.

In October 2022, 75% of Management Committee and Expanded Management Committee (EMC) members participated in the Courageous Leaders Summit hosted by White Men as Full Diversity Partners (WMFDP). The Courageous Leaders Summit is designed to bolster competency in creating inclusive environments. Our senior leaders have access to the WMFDP Inclusion Insights platform for continuous learning opportunities, and quarterly sessions with WMFDP experts that provide ongoing opportunities to ask questions and discuss progress.

Diversity, Equity and Inclusion

From the beginning, American Century's primary vision has been to help our clients achieve their financial objectives, believing that their success would lead to ours. The inverse of that statement is equally true: If we invest in our people, we are better positioned to invest on behalf of our clients. Through the appreciation of the diverse experiences of our employees, we are able to perform at our best for our clients.

We not only respect and honor our people, but we value our differences and how they make us unique. The dimensions of experiences, perspectives and talent make us stronger and lead our innovation. We strive to hire, develop and retain colleagues from diverse segments, with a focus on the unique talent and strength that individuals bring to our organization. We believe this approach to employee recruitment and retention is one of the primary ways we are able to match the pace of an ever-changing world. We believe that a diverse, highly skilled team, representing different thoughts and perspectives for our business and client needs, leads us to a deeper, stronger understanding of our clients and allows us to deliver superior solutions and build long-term relationships.

Diversity, equity and inclusion (DEI) are core to a healthy, high-performing culture and are necessary to create an

award-winning work environment. We recognize that we will never truly arrive in the work of diversity, equity and inclusion as it is an iterative, introspective journey. Despite that realization, we continue to move forward as we endeavor to show the principles and values that have been, and remain the cornerstones to success for American Century.

Our Approach: Learn, Unlearn and Relearn

In times like these, when problems seem vast and our capacity to address them proportionately limited, individual actions can feel inadequate. However, there is one small step that can improve our condition: being more aware about what we believe we know and understand. The goal of our DEI program is to help us systematically challenge what we think we know. It fosters a mindset of curiosity and growth by underscoring unconscious bias, exposing different views and encouraging healthy discourse. The cyclical process of learning, unlearning and relearning is how we create the opportunity for growth.

Learn more about ourselves and each other
Unlearn beliefs and biases holding us back
Relearn the behaviors and actions most likely to
move our business forward

We built a diversity approach around three main pillars to facilitate our learning process:

- **Employee engagement** We foster a culture that encourages every employee to bring their authentic self to work.
- **Talent management** We integrate DEI into key people initiatives to grow a diverse talent base through recruiting, hiring, developing and retaining new and existing talent.
- Community partnership We continue to purposefully develop corporate partnerships and actively engage in our communities.

Employee Engagement

Our business resource groups (BRGs) are employee-led, employer-recognized groups of individuals who share common interests in working together to foster a diverse, equitable and inclusive workplace. In providing a steady cadence of opportunities to learn and build relationships, our BRGs are a significant waypoint for our learning journey. They have created space for healthy dialogue to interrogate our approaches on recruiting, benefits, policies, learning and development, marketing and communications, and community investment. We also have Allies for Action, a grassroots employee effort that partners with BRG leaders and our DEI Committee and R.I.S.E. (Reach, Inspire, Support, Empower), a mentorship program for all BRGs.

Talent Management and Development

American Century is focused on ensuring diverse candidate pools from hiring through promotion and retention. We continually work to improve our ability to identify, attract, select and hire top diverse talent.

ACCELERATE

Representing women and their allies, this BRG focuses on accelerating change to engage, inspire and develop the women of American Century to drive total business performance and establish a strong reputation as a company where women want to work and thrive.

CHARLIE MIKE

Representing military veterans, first responders, and their allies, this BRG focuses on "continuing the mission" by championing DEI across the firm.

EMERGING PROFESSIONALS

Representing those who are new or returning to the workforce, career changers, and their allies, this BRG focuses on providing a variety of professional development, community involvement and networking opportunities to help cultivate the firm's future leaders.

ENABLE

Representing team members with disabilities, team members with ties to people with disabilities and allies, Enable provides a resilient and supportive community dedicated to strengthening the firm's position as an employer of choice for people with disabilities and helping to provide a safe and welcoming environment for members and allies.

MOSAIC

Representing members of various ethnic minority groups and cultural backgrounds and their allies, this BRG focuses on linking the company's work to internal and external communities to help create an environment that allows employees to be their authentic selves. The three chapters of Mosaic represent Black, Asian and Latinx employees.

PRIDE

Representing members of the LGBTQ+ community and their allies, this BRG focuses on creating an inclusive environment that ensures LGBTQ+ employees feel safe, welcome and valued.

We have built both internal and external talent pipelines. Current employees understand our culture's ethos and are well positioned to recognize that sense of understanding in others. By leveraging our internal referral program, we promote the alignment of our burgeoning talent with our winning behaviors, and the maintenance of our integrity in our business decisions. We use our external partnerships to identify diverse talent to fill open roles. This process enables our leaders to introduce new talent or existing American Century professionals into the pipeline. The talent discovery process guides individuals through introductory sessions led by American Century professionals to expand their knowledge base and prepare them for a career with the firm.

Integrating DEI into Talent Processes. While we have made significant progress in integrating DEI into the talent process, we recognize that creating a truly diverse and inclusive workforce has only two phases: the beginning and the continuation. How we identify and recruit talent is one of the most important processes to the success of our clients and the firm—in a human capital industry, our talent is the most critical element of our value proposition. With this in mind, we have worked over the last two years to reshape our internal recruiting team. In relearning our recruitment practices in light of our DEI learning journey, we have equipped our recruiting team with the skills, tools and procesess needed to deliver talent acquisition capability that is competitive with outsourced recruiting firms.

Inclusive Recruiting Strategy – Programs, Partnerships and Recruiting Boards. Our talent acquisition group is focused on bringing diverse candidates slated for open roles. We have strong relationships with historically Black colleges and universities as well as academic institutions with diverse student bodies. We also partner with community and professional organizations whose primary membership consists of people of color, women, the LBGTQ+community and veterans to identify diverse talent.

We have launched several inclusive leadership development initiatives, including the Diversity Advancement Early Insights Program for Investment Management. We designed this educational program to expose graduate students, early career candidates and other internal employees to American Century and our investment management program. Each program participant is assigned a mentor from our Investment Management group to support the participant's business education. The participants will then receive an invitation to interview for an internship in our investment management program, which may lead to an offer for full-time employment.

Employee Trainings, Development and Education. The firm has a three-step approach to talent management that includes awareness, exposure and training with several programs and experiences to create a more inclusive culture. All new employees complete training on work-

place harassment, inclusion and respect, and a discrimination-free workplace. We provide additional training on crucial conversations and respect and inclusion.

Community Partnership

We purposefully develop corporate partnerships with organizations that value diversity, actively engage initiatives that promote inclusion across diverse segments and utilize philanthropy to lift communities.

American Century supports the following DEI industry initiatives/organizations:

- 100 Women in Finance.
- Boys & Girls Clubs.
- CEO Action for Diversity & Inclusion.™
- · Disability:IN.
- · GenKC.
- · Girls Who Invest.
- · Investment Company Institute.
- · Junior Achievement.
- KvinnoKapital.
- · LGBT Great.
- · Mid-America LGBT Chamber of Commerce.
- · National Association of Securities Professionals.
- · National Investment Company Service Association.

- Robert Toigo Foundation.
- University Academy.
- WE Inspire. Promote. Network.
- Women in ETFs.
- · Women in Finance Asia (Hong Kong).

We are part of the Morgan Stanley Equity Collective, a group of 27 wealth management and asset management businesses coming together to educate, empower and develop the next generation of diverse leaders in the finance industry. Research shows that Black and Latinx students become interested in working in financial services during high school. To meet and serve students during these formative years, the Equity Collective sponsors the Boys & Girls Clubs of America, Team IMPACT and HIVE Diversity. As part of this collective, we participate in education and awareness events and initiatives for students, like the Boys & Girls Club career panel we joined in September and the panel we hosted in **December** (see more on page 35).

When Jim and Virginia Stowers founded the Stowers Institute for Medical Research, they set the ultimate example of how financial success can be a force for good. Our values include a strong commitment to helping others and building a strong community. The BRGs provide numerous opportunities to make a positive impact and play an extremely important part in determining how our firm engages our resources to impact communities. In addition to securing the grants made by the American Century Foundation, the BRGs directed parts of their own budgets to their partnered organizations.



January 2023: New head of DEI. Adam Miller joined American Century as the head of DEI, serving as an internal partner and consultant on talent acquisition, promoting the efforts of our BRGs and providing strategic vision regarding the positive impact of DEI in our suite of client service offerings. Miller serves on the boards for Visit KC and Ronald McDonald House Charities of Kansas City and formerly served on the board of Big Brothers Big Sisters Kansas City. He is a 2019 graduate of the Greater Kansas City Chamber of Commerce's Centurions Leadership Program where he served on the steering committee.



September 2022: David Livingston receives Nicsa Rising Star Award.

David Livingston, director of compliance, was recognized as a Rising Star by the National Investment Company Service Association (Nicsa). Livingston plays an active role in the Pride BRG and served as co-chair of American Century's AIDS Walk KC and as a Pride Month panelist.



July 2022: Sarah Cossa and Diane Gallagher promoted to co-chief people officers. Sarah Cossa and Diane Gallagher became senior vice presidents and co-chief people officers of the firm. Working from American Century's New York City office, Cossa leads talent acquisition, human resources (HR) business partnerships, HR operations and analytics and compensation and benefits. Gallagher, based at the firm's global headquarters in Kansas City, Missouri, leads employee experience and relations, learning and development and community engagement.



June 2022: Jackie Wagner named a Global Top 100 Gamechanger for 2022 by LGBT Great. LGBT Great named senior portfolio manager and co-sponsor of our Pride BRG Jackie Wagner one of its Global Top 100 Gamechangers for 2022, demonstrating consistent involvement in DEI work and inspiring others.



Science Spotlight

Cancer

Investigator Jennifer Gerton, Ph.D., from the Stowers Institute for Medical Research sees genetics as an area of research that can build a foundation for future cancer therapies. Knowing the genetic cause of a cancer could impact which medication or treatment plan is used, the cadence of other cancer screenings for the patient, if the patient's children need screening for the genetic cause and more.

In 2022, Gerton helped open up a new area for genetics discovery and progress: **the missing 8% of the human genome.** Gerton and other researchers at the Stowers Institute are part of the Telomere-to-Telomere (T2T) consortium, a multi-institutional, international effort to assemble the complete human genome. The original reference human genome published by the Human Genome Project in 2003 was incomplete, with roughly 100 gaps in the sequence missing through 2021.

What the T2T consortium found is that many of those gaps were in some of the most functionally significant areas. These areas impact cell division and chromosome segregation, where dysfunction can lead to cancer, among other diseases.

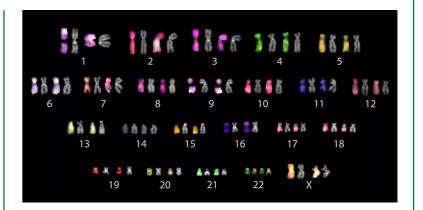
It took 20 years since the human genome was first published to fill in the final gaps. In the next 20 years, Gerton

hopes research on these newly revealed gaps will lead to improved health care options.

Research Highlights

All cancers, making up hundreds of different diseases, can be characterized by the mutation of the human cell. Understanding what happens when a normal cell mutates to become cancerous is essential to developing treatments and cures. Foundational research at the Stowers Institute identifies the genes, proteins, molecular networks and mechanisms often compromised in cancer.

- Stowers Institute researchers are looking at how disruptions in cell growth and other functional processes are associated with many different types of cancer such as leukemia, colon cancer and carcinoma.
- Stowers Institute scientists have identified ways to expand human umbilical cord adult stem cells in culture, enabling a path forward for generating therapeutic quantities for transplants to treat leukemia and other cancers.
- Other research areas include investigating cancer stem cells that are stubbornly resistant to treatment and developing new approaches for overcoming cancer drug resistance and stimulating immunity.



An ordered collection of the pairs of chromosomes analyzed in the T2T complete human genome sequencing project. Image courtesy of the Gerton Lab.



Investigator Jennifer Gerton, Ph.D., from the Stowers Institute for Medical Research.

Health and Well-Being

In addition to making a direct impact on good health and well-being through our relationship with the Stowers Institute, we also have a direct impact on the health and well-being of our employees through our workplace policies, benefits and culture.

Recent Improvements to Health and Well-Being Policies and Benefits

10 weeks

Increased parental leave, giving parity to primary and secondary caregivers

10 days

Offered subsidized back-up dependent care through Bright Horizons

5 days

Enhanced family and elder care support with more time to care for someone with a serious health condition

Gender-affirming care

Expanded medical coverage to include gender-affirming care

\$2,000

Added travel expense reimbursement if an employee must travel more than 75 miles to get medical care

New programs

Enhanced medical plan to include weight management and musculoskeletal health programs

+1

Added an additional floating holiday

Doggy day care

On-site, subsidized doggy day care for Kansas City employees

Wellness Policies and Health Benefits

We offer our employees and their families a health program that Healthy KC, a workplace wellness certification program of the Greater Kansas City Chamber of Commerce and Blue Cross and Blue Shield of Kansas City, ranked "platinum," the highest level of recognition. Our platinum certification reflects our policies, programs or processes across five pillars of health:

- · Healthy eating.
- · Active living.
- Tobacco cessation.
- · Work-life integration.
- · Design-built environment.

Our comprehensive benefits package is equally available to all U.S.-based regular employees and their spouses, domestic partners or plus ones, as well as their children. Here's how American Century defines these family members who receive benefits:

- Spouse Your lawful spouse.
- Domestic partner An individual with whom you have a committed relationship, share the same residence with financial and household responsibilities for at least 12 consecutive

- months and neither you nor the individual is legally married to another individual.
- Plus one An individual other than your domestic partner, spouse or child (who would otherwise qualify as a dependent child under this plan) who has shared your principal residence for at least 12 consecutive months and continues to do so.
- **Children** Children by birth, legal adoption or placement for legal adoption (covered until the end of the year in which they reach age 26 even if married).

Our robust health plans and wellness programs help provide the opportunity to live a healthier life. American Century offers benefits to regular employees scheduled to work 20 hours or more a week and their spouses, children and domestic partners or other full-time members of the household. These programs include:

- Medical, dental and vision benefits.
- · Health savings and flexible spending accounts.
- · Employee assistance program.
- Healthtrack Wellness Program for employees and significant others:
 - Exercise and wellness programs including customized health coaching.
 - Rewards for completing healthy challenges.
- On-site fitness centers with group fitness classes as well as health club reimbursement for offices without fitness centers.

- Chronic condition and weight management programs.
- Confidential online health management portal.
- On-site health screenings and flu shots.

We also offer plans to support the financial well-being of employees, including:

- Competitive compensation, including annual incentive plans.
- Retirement plan, with 401(k) employer match of up to 5% and an additional annual employer contribution of 0%, 5% or 10%, tied to a measure of the company's performance.
- 529 education savings plan match.
- Group term life and accidental death and dismemberment insurance.
- · Supplemental life insurance.
- Short-term and long-term disability insurance.
- · Critical illness insurance.
- · Long-term care insurance.
- Pet insurance.
- · Tuition reimbursement.
- · Identity theft protection.
- Adoption and surrogate assistance.
- · Legal services.
- · Service anniversary awards.

- · Commuter benefits.
- · Back-up dependent care (implemented in 2023).
- · Doggy day care (for Kansas City employees).

Our paid time off benefits include:

- Stock market holidays (typically nine days) plus two floating holidays.
- Paid time off, starting with 20 days and increasing to 25 days after three years of service time.
- Parental leave of 10 weeks for the primary caregiver and six weeks for the secondary caregiver (increased to 10 weeks for any parent in 2023). This can be taken at any time in the first year.
- · Bereavement leave of five days.
- Caregiver leave of five days to care for a family member with a serious health condition.

Family Formation Assistance

Family formation assistance benefits include infertility and cryopreservation medical coverage and surrogacy and adoption assistance, which has received 100 Best recognition from the Dave Thomas Foundation for Adoption. In addition, we have increased parental leave from two and six weeks to 10 weeks and made the leave equitable for all parents by removing the distinction between primary and secondary caregivers. We are also adding the option to take this leave intermittently rather than continuously.

Mental Health Benefits

We have expanded our Employee Assistance Program to offer a broader array of mental health support and services. Our Lyra Health wellness benefit makes it easy to find and receive confidential, personalized mental health care. Benefit-eligible employees also have access to 12 confidential sessions through Lyra at no cost to them. With Lyra, employees can meet with a certified coach or licensed therapist, and each employee's spouse, domestic partner or plus one and children also have access to 12 free sessions.

Culture

Connected Workplace

In May 2022, we finally reopened our offices, keeping our commitment to implement a connected workplace that improves the employee experience, attracts and retains key talent and skills, and enables productivity and effectiveness.

Connected workplace is our modern, flexible approach to how we will work together, staying connected as a team, as we evolve with and continually delight our clients. Because we value employee flexibility, all employees work with their managers to set the number of days a week they will work from the office and the days of the week they will work remotely. Two-thirds of employees are on a hybrid schedule.

We are also deliberate about using employees' time in the office to grow our connection, strengthen our culture and serve our clients. Office space plays an important role in fostering this vision. We invested in a remodel of our Kansas City campus, with new spaces opening in 2022 including

The Connection Lounge, a renovated lobby and on-site doggy day care Canine Capital from Woof's Play & Stay.

Our Kansas City office space has gender-neutral bathrooms and new mother areas, which are private rooms with a refrigerator, lockers and a TV.

The Connection Lounge. The Connection Lounge, a mixed-use space for meeting, eating or gaming, includes a patio with outdoor fireplace, TVs and a gaming space with a simulator, arcade games, ping pong and board games.



Left: American Century employees gather for a meal in The Connection Lounge.

Right: Staff from investment operations, corporate finance, compliance and IT enjoyed a bit of fun and friendly competition among colleagues during the American Century Investments Summer Olympic Games, which was played in Kansas City's Connection Lounge.



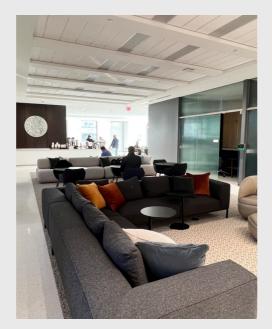
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The Treehouse, Brilliance Bar and more in our redesigned lobby. We renovated the lobby to offer a simpler guest check-in experience, new gathering spaces and amenities like The Treehouse coffee bar stocked with locally sourced products and the Brilliance Bar, a tech hub for walk-up and scheduled appointments. The space features artwork from 12 Kansas City artists, and our digital art program from Apollo has thousands of selections in rotation.



Above: A guest gets coffee from The Treehouse in American Century's Kansas City office lobby.

Right: Digital art displays rotate between thousands of pieces of art in the Kansas City offices.



Above: An updated gathering space in the Kansas City office lobby boasts welcoming seating.



Canine Capital. In conversation with our Emerging Professionals BRG, we identified a challenge for employees who were navigating a return to the office while balancing their responsibilities as dog owners. Many of them benefited from having their dogs close by during the workday and found that interacting with their dogs was good for their own overall well-being. We decided to create an on-site, subsidized doggy day care to increase the value of working from our office and reduce employee stress. We partnered with a local small business, Woof's Play & Stay, to open Canine Capital at our Kansas City office in the fall of 2022. Employees may even walk their dogs during designated hours.



An employee's dog sports an American Century bandana at the grand opening of Canine Capital in fall 2022.

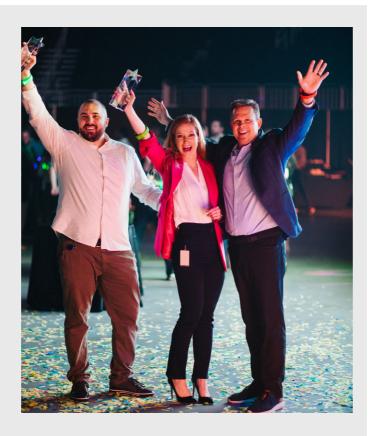


American Century employees and their dogs mingle at the grand opening of Canine Capital in fall 2022.

31

Recognition. We are committed to celebrating our values, our culture and our people. Back in 1984, Jim Stowers himself started the tradition of a formal award celebration event when he honored his dear friend and trusted colleague Francis J. Raw. Since then, in both good times and bad, we have held an annual employee appreciation celebration and award ceremony because of the importance we place on the value of recognizing and celebrating our people. The only exceptions were in 2020 and 2021 to protect the safety of our employees and community during the pandemic.

We reimagined and modernized the award and recognition event for employees in 2022. Employees from near and far gathered for the first time in three years at Kansas City's T-Mobile Center to celebrate the 2022 James E. Stowers award nominees for everything they do and everything all employees do that makes American Century a special place. From more than 40 nominations, we selected six honorees and two winners: Danielle Hill (legal) and Will Hargrave (IT).



Will Hargrave (left) and Danielle Hill (center) celebrate their James E. Stowers awards with Jonathan Thomas (right) at the first employee recognition celebration in three years.



Through Inspire Recognition, our employees celebrate their colleagues' successes in real time with a points-based approach to differentiate the level of recognition. Recipients can cash the points immediately or accumulate them for merchandise, gift cards or charitable contributions.

In 2022:

70% of employees received Inspire Recognition awards from their colleagues.

Employees gave **5,350 Inspire Recognition awards.**

Science Spotlight

Diabetes and Metabolism

Understanding metabolism and how bodies convert food into energy can help us understand obesity and diseases like diabetes. Stowers Institute researchers study metabolism in novel research organisms like cavefish as a powerful way to understand the genes and mechanisms underlying metabolic processes in health and disease. Research from the Stowers Institute has shown that cavefish remain healthy despite exhibiting characteristics like high body fat and blood sugar levels associated with diabetes and metabolic syndrome in humans, but they do not experience adverse health effects. The Stowers Institute seeks to understand why and how that knowledge can help humans.

In 2022, Jaya Krishnan, Ph.D., a senior research associate from the lab of Nicolas Rohner, Ph.D., at the Stowers Institute, examined the genetic differences between cavefish and river fish. In doing so, she and her coauthors were able to identify the **genetic evolution impacting cavefish metabolism**, which could help determine genetic targets for developing metabolic drugs to treat human conditions.



Cavefish (top) have evolved genetic adaptations to survive in their dark, nutrient-scarce environment compared to their river fish cousins (bottom).



Nicolas Rohner, Ph.D., associate investigator at the Stowers Institute (right), shows Jonathan Thomas, American Century's president and CEO (left), the cavefish that have been part of his lab's study of the genes and mechanisms underlying metabolic processes in human health and disease.

Community Involvement

Our impact—funding medical research to improve life's quality—attracts employees who want to do more for their communities. As our employees work to make American Century successful, they further the mission of the Stowers Institute and join our impact on world health. We in turn want to help our people give back in ways personally meaningful to them. That's why our employees drive our matching program, grantmaking and volunteer activities. We amplify their impact based on the causes and organizations they choose to support with their time, talent and treasure.

"As employees, we play an extremely important part in determining how our firm participates in philanthropy by how we contribute our own time, talent and treasure," said Diane Gallagher, senior vice president and co-chief people officer and president of the American Century Investments Foundation.

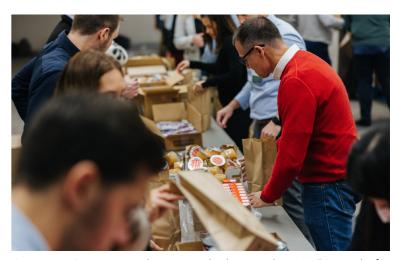
Giving Time

When employees volunteer their time, we give the organization \$25 for each hour they give. Collectively, our employees volunteer about 6,000 reported hours on average each year. Our employees, working both through our Volunteers with Impact and Purpose group and our employee BRGs, supported organizations including Children's Mercy Hospital, Rose Brooks Center, Hope House, PREP-KC, Lead to Read KC, Bottomless Closet and AIDS Service Foundation of Greater Kansas City.

Packing Meals for Harvesters. During our 2022 Global Client Summit, our distribution teams packed more than 1,850 meals for Harvesters, a regional food bank serving the Kansas City area and beyond.



An American Century employee smiles while writing and decorating a note to include in the packed meal in an event support Harvesters food bank.



American Century employees packed more than 1,850 meals for Harvesters food bank during a company meeting.

Giving Talent

We encourage employee involvement in nonprofit organizations as board members, on advisory committees and as recurring volunteers. We connect agencies with employees who are passionate about the organization's mission and willing to advance the work. These opportunities help develop leadership skills our people bring to the community and back to their roles at American Century.

Their involvement also helps inform where and how the American Century Investments Foundation makes grants. Twice yearly, the foundation considers grant applications from 501(c)(3) organizations providing innovative and sustaining opportunities that inspire growth in the communities where our employees live and work. One of the weightiest factors in the application process is the significant and recurring involvement of American Century employees in the nonprofit, like serving on a board or committee, volunteering time on an ongoing basis and making regular monetary donations.

Grants range from \$5,000 to \$25,000 with more than \$600,000 awarded annually. Nonprofit organizations from coast to coast have received grants to address hunger (City Harvest in New York), disability rights in Africa (U.S. Friends of Able Child Africa) and educational organizations for underserved populations (Operation Breakthrough), as well as dozens of other charities.

Recipients in 2022 included organizations focused on education, health and human services, social justice, arts, animal welfare and youth programs.

Boys & Girls Clubs. As part of our Morgan Stanley Equity Collective partnership with Boys & Girls Clubs, we participated in a couple of events with the Thornberry Unit of the Boys & Girls Clubs of Greater Kansas City. In September, four of our employees from sales and investment management participated in a career panel and financial education exercise. Following a tour of the Club and a budgeting icebreaker activity, our American Century employees shared about their career paths and educational backgrounds and answered questions. Approximately 25 teens from the Club along with several Club leaders attended.

In December, we hosted a second panel at our Kansas City office featuring seven employees from sales, finance and human resources. We gave approximately 10 teens and Club leaders from the Thornberry Unit a tour of our renovated spaces, including the second-floor Connection Lounge, and then held a career and education panel discussion in a second-floor conference room so the teens could utilize the new space.

University Academy. As sponsors of an internship program through the **University Academy Foundation**, we hire at least two University Academy students as summer interns. In 2022, our University Academy interns

worked in our personal financial services and client operations department.

We also work with University Academy's high school junior seminar class on client-connected projects in which teams of students recommended solutions to business opportunities for us. They completed three real-world projects. After completing their own research and interviewing employees from the human resources, marketing and facilities teams, they presented recommendations on the workplace of the future, sustainability in the workplace and a marketing campaign to encourage young women to invest.

Bottomless Closet. In 2022, we continued our biannual budget bootcamp for clients of **Bottomless Closet**, a non-profit that helps disadvantaged women in New York City enter the workforce. Bottomless Closet provides professional attire, resume help, interview preparation, and professional development, financial management and personal enrichment workshops.

Giving Treasure

Our employees participate in our Dollars for Donors matching gift program at a rate three times higher than the national average, producing more than \$1 million in matches in a single year. We match each employee's donations up to \$7,000 annually to 501(c)(3) organizations and up to an additional \$5,000 annually for contributions to disaster relief. In 2022, for example, the disaster relief matching gifts dollars were directed to organizations supporting Ukrainian refugees and victims of Hurricane Ian.

For example:

	2022 employee contribution	American Century match
To a 501(c)(3) organization	\$7,000	\$7,000
To disaster relief	+ \$5,000	+ \$5,000
	\$12,000	\$12,000

An American Century employee can direct a total of \$24,000 to personally meaningful causes.

Of each dollar of dividends we pay, more than 40 cents goes to medical research. In addition, we match a significant amount of money donated and time volunteered by our employees. Together, we are making an impact on health and well-being, as well as the communities where we live and work.

Bottomless Closet. American Century employees in New York City ran a clothing drive to support Bottomless Closet, the nonprofit helping disadvantaged women enter the workforce. In addition to contributing professional attire to the drive, American Century employees also collected and delivered the clothing items.

Giving Treasure Highlights

3x national average

Employee participation rate in our matching gift program

\$1,000,000

in matches generated annually

\$24,000

Total our employees can direct to causes meaningful to them

40¢ of every \$1 of dividends

goes to medical research

Children's Mercy Hospital. We partnered with Children's Mercy Hospital, a leading independent children's health organization with a vision to create a world of well-being for children, during its Dream Big campaign in September. In line with our outstanding connection to pioneering new answers in medicine through our relationship with

the Stowers Institute, we directed our Dream Big efforts on the Children's Mercy Research Institute's **Genomic Answers for Kids**, a revolutionary program that provides free whole-genome sequencing and analysis for kids experiencing undiagnosed or rare diseases. For families that have waited years for answers, this program is finally providing long-sought diagnoses and potential treatments.

We set a fundraising goal of \$10,000 and provided a variety of activities to build employee awareness and support for Children's Mercy and its amazing work.

Giving Time: Happy Kits for Children's Mercy. Our special events kicked off with Happy Kits for Children's Mercy, a volunteer activity to assemble activity kits for the teens at Children's Mercy. Employees volunteered a total of 26 hours putting together 150 kits. In addition to assembling the kits, the volunteer time generated a \$650 American Century matching contribution.

Giving Treasure: Children's Mercy Dream Big Month Cookie Sales Fundraiser. We continued our Children's Mercy Dream Big efforts by partnering with Sweet Creations, a Kansas City-based, woman-owned small business, to sell delicious Dream Big sugar cookies. American Century matched the \$925 in profits from the cookie sale for a total of \$1,850 toward our \$10,000 goal.

Giving Treasure: American Century Team Fundraising. We encouraged our employees to donate, fundraise and keep track of our shared progress toward our \$10,000 goal for Children's Mercy on our **team fundraising page**. Through the site, our employees donated and raised \$1,775, which American Century matched.

Giving Time: Dream Big Walk and Family Festival. We wrapped up our efforts by sponsoring the Dream Big Walk and Family Festival, where we joined more than 2,000 others to celebrate and support patients of Children's Mercy and their families. In all, \$255,000 was raised for Children's Mercy to help create healthier futures for kids.



American Century employees were among the 2,000 participants at the Dream Big Family Fest and Walk, a family-friendly celebration and one-mile walk marking the successful completion of Children's Mercy Dream Big campaign, which raised \$255,000 in total.





Children's Mercy Dream Big Highlights

\$10,000

fundraising goal

26

Happy Kit volunteer hours

150

Happy Kits assembled

336

cookies sold

24

individual donations to team fundraising page

\$11,675

raised for Children's Mercy Research Institute's Genomic Answers for Kids

37

American Century Championship. Throughout its history, the American Century Championship has raised more than \$7 million for local, regional and national charities. Celebrities and sports legends alike gather in Lake Tahoe, Nevada, each July to compete in this golf tournament. It has earned a reputation for being one of the most family-oriented, philanthropic, prestigious and reputable celebrity golf tournaments in the country.

The Stowers Institute for Medical Research, a world-class biomedical research organization dedicated to uncovering the causes, treatments and cures for life-threatening diseases, was the official charity of the 33rd annual American Century Championship, receiving \$1.231 million in donations at the 2022 American Century Championship

Part of the money raised for the Stowers Institute at the 2022 American Century Championship came through a new and innovative NFT charity auction. The NFT for auction was a digitally autographed virtual golf ball. Thirty celebrity players signed the virtual golf ball using gesture-based technology within a custom kiosk.





Kansas City Chiefs quarterback Patrick Mahomes (top), ESPN college basketball analyst Jay Bilas (bottom) and Saturday Night Live cast member and writer Colin Jost (right) virtually sign a non-fungible token (NFT) for a charity auction to benefit the Stowers Institute of Medical Research during the 2022 American Century Championship.

An additional \$174,000 was donated to charity, including Lake Tahoe-area nonprofits. After the annual American Century Championship, the Lake Tahoe Visitors Authority and the Tahoe Douglas Visitors Authority initiated a grant application process for Lake Tahoe-area nonprofits to benefit from tournament donations. In a typical year, approximately 40 nonprofits receive grants ranging from \$1,000 to \$10,000.

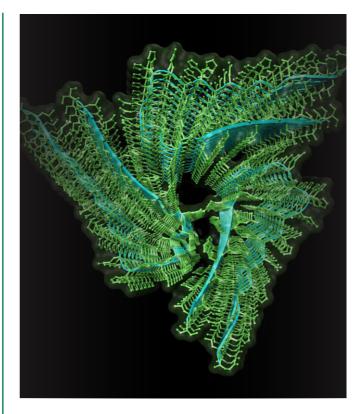


Brain and Memory

In recent years, pioneering research from the Stowers Institute on fruit flies showed that clustered proteins called amyloids, long associated with neurodegenerative diseases such as Alzheimer's and Parkinson's, also have a normal and healthy role in long-term memory formation.

Scientific Director and Investigator Kausik Si, Ph.D., of the Stowers Institute has been able to make fruit flies forget and remember by genetically modifying the clustering of these amyloids in their brains. But the human brain has more than 450,000 times the number of neurons as the fruit fly brain, so to discover if this same process is at work in humans and how it could be used for a new approach to treating amyloid-associated brain diseases, the **human brain will have to be involved**.

In 2022, Si and his lab were able to continue this line of research using parts of human brains donated by more than a dozen epilepsy patients who had them removed because they were causing seizures. This research will apply the new understanding of amyloids to explore the inner workings and patterns that shape memories in the human brain. With time, the hope is something could emerge from these studies that would lead to more successful treatment options for neurodegenerative diseases.





On the left, the 3D atomic organization of the neuronal protein involved in memory persistence. Image courtesy of Ruben Hervas Millan, Ph.D./Si Lab.

On the right, Kausik Si, Ph.D., (right), scientific director and investigator at the Stowers Institute, shows Jonathan Thomas (left), president and CEO of American Century, the fly robot which assists researchers with feeding and housing of the millions of fruit flies at the Stowers Institute. The flies are used to research the role of amyloids in memory.

39

corporate Citizen

PICTURED

The radial patterning of sea anemone tentacles requires Hox genes, which control head-to-tail body patterning. American Century's governance, policies and codes help us develop to-to-bottom sustainability patterns in our company.



Green Office Initiatives

As a company that directs more than 40% of our dividends to a medical research institute and as an asset manager that incorporates environmental considerations into our analysis of other companies, American Century recognizes we also share in the global responsibility to limit our impact on the environment. We are continuously implementing ways to reduce our environmental footprint across global operations and supply chains to help protect our collective future.

The Green Team

The Green Team, established in 2021, is made up of more than 60 employees from across our global offices and collaborates across the company to organize and facilitate action around sustainable environmental opportunities that affect our employees, clients and community. The team organizes around four critical committees:

- **Facilities** collaborates with and supports the facilities department to make our office spaces greener.
- Marketing finds ways to reach our clients in environmentally sustainable ways.
- Employee and community engagement educates and engages employees around sustainability initiatives in the office and local communities.
- **Impact reporting** compiles key data to understand our footprint and identify areas for improvement.

Employee and Community Engagement

As part of a broader global movement encouraging people to get involved and invest in our planet for Earth Day 2022, the Green Team sponsored and participated in a planting event dedicated to enhancing the outdoor spaces adjacent to our headquarters in Kansas City. About 20 volunteers from around the company spent the afternoon planting 150 regional and pollinator-friendly plants. Missouri Organic Recycling was on-site to teach volunteers about planting and recycling and Grounded Mobile Coffee, a local women-owned business, delivered good vibes for the planet and everyone.



Above: A team of about 20 volunteers from American Century spent a few hours on Earth Day 2022 beautifying our outdoor space.

Top right: Example of plastic pollution solution efforts.

Middle and lower right: 2022 Earth Day planting event before and after.

In 2022, our Hong Kong colleagues participated in a learning session with the organization **Plastic**Free Seas to raise awareness of plastic pollution.

The session provided team members helpful recommendations for environmentally friendly solutions within their own communities.







Measurement

Measurement was a major theme for the team in 2022. To plan for where we are going, we really need to understand where we are. Led by our impact reporting committee, the Green Team made great headway in terms of gathering, organizing and standardizing important data points around energy, waste, travel and other key metrics to allow us to be well positioned to identify potential areas for improvement and also maintain the good practices we have established over the years.

Measurement Successes

62%

decrease in annual electricity use for lamps

52%

increase in paperless W-2 delivery

95%

of building lighting is LED, up from 80%

Looking Ahead

Looking ahead in 2023, employee engagement will be the primary focus for the Green Team. The team plans to launch its internal microsite focused on educating employees and updating on our progress. Through this forum, we will continue to identify areas where each of us can reduce

our footprint, create solutions and make an impact in our workday, homes, communities and the planet.

Facilities Department

We take a long-term approach to being good stewards of the environment, and our facilities department is committed to and responsible for our sustainable office buildings and initiatives. For example, when leasing office space, we look for sustainable buildings that align with our approach to building a healthy workplace. And across our own property and our leased properties, we put in place sustainable office initiatives that are both systemic and behavioral.

Sustainable Office Buildings



Los Angeles. Our Los Angeles office is in a building certified as LEED® Gold in Core and Shell (2019) and rated by Energy Star (2022).



Santa Clara. Our new Santa Clara, California, office building is certified as WELL Health-Safety (2021) and LEED® Gold (2011) and rated by Energy Star (2015).



New York City. Our New York office is certified as LEED® Gold (2021) and rated by Energy Star (2020).



Kansas City. Our global headquarters uses Fanwall Technology[®] to reduce energy consumption by 20% to 30%. We actively seek upgrades to enhance energy efficiencies such as using Mecho shades to reduce glare and heat gain in our renovations.

Sustainable Office Initiatives

Transportation

- We subsidize the cost of mass transit with our U.S. commuting benefits program.
- Our global headquarters in Kansas City, and other locations feature electric vehicle charging stations.
- We use videoconferencing when appropriate to reduce the need for business travel, a practice we have maintained as pandemic travel limitations have eased.

Energy Use

- Our building energy management systems help monitor, control and optimize the energy consumption of our facilities' heating, ventilating and air conditioning equipment.
- We use server virtualization and a state-of-the-art data center to gain information technology efficiencies. We have upgraded to power-efficient desktop monitors.
- Overhead and desktop lights shut off automatically after detecting periods of no activity.
- Energy Star-rated equipment and appliances in use across the firm exceed the federal minimum standards for quality and efficiency.

Paper

- We eliminated most personal printers, and double-sided printing is the default setting firmwide. In many cases, documents are shared virtually and not printed at all.
- We encourage scanning documents to lessen the need for paper and paper storage such as file cabinets.
- We eliminated paper handouts in client meetings, using a digital publication application to share client presentations instead.
- We implemented the use of QR codes for marketing materials at several conferences.
- We use motion-activated towel dispensers and hand dryers.
- We use digital signage in our facilities.

Waste

- · We recycle paper, plastic and batteries.
- We compost food waste where possible and use compostable plateware, utensils, cups and to-go containers. We do not use polystyrene foam cups in cafes or breakrooms.
- In-dining options have returned, which allow for a reduction in waste by offering a plated dining experience.
- Our construction waste management plan includes donating unneeded office equipment, supplies and furniture and recycling other items such as scrap metal and carpet.
- We have added several sustainable branded items for promotions, client giveaways and employee merchandise and will continue expanding this selection.

Water

- Sensors shut off landscape irrigation systems during rainfall.
- We use water-efficient plumbing and appliances such as low-flush toilets.
- We put bottle fillers in employee work areas to encourage the use of reusable water bottles.

A Sustainable Facilities Life Cycle

Our overall approach is to build and maintain a healthy and sustainable workplace for all employees, not just on day one of the space but throughout the life of the building.

Renovations and Construction. We use hundreds of different products in renovations and new construction. For our renovations to the Kansas City office, we selected vendors that make sustainability part of their business model and choose sustainable products. For example, the carpet companies we partnered with have sustainable certifications and reclamation programs, and we purchased furniture designed to support the circular economy.

Decommissioning. When decommissioning a site, or removing furniture and equipment to prepare for demolition, we divert more than 90% of items from the landfill by

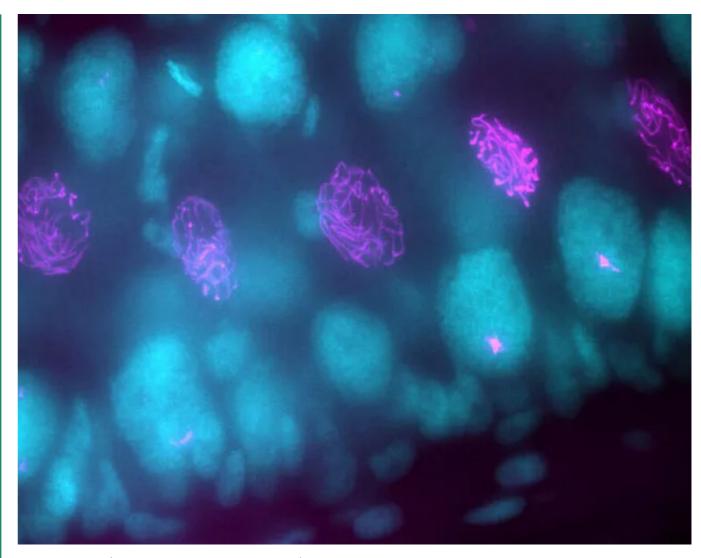
selling, donating or recycling them. For example, we recycle metal from file cabinets and furniture panels. We donate furniture and equipment like microwaves and refrigerators to local nonprofits.

Demolition. When demolishing a site, we divert 75% to 80% of items from the landfill. We work with our general contractor to recycle construction materials, like metal studs, ceiling tiles, light fixtures and copper plumbing pipe, that come from our job sites. None of our carpet ends up in a landfill. Our carpet installation company takes out all carpet and works with carpet mills to recycle or reuse all carpet. We donate to Habitat for Humanity ReStore, which takes materials like plumbing fixtures and specialty lighting. We donate to the Kansas City Art Institute and local small theatre companies, which take materials that can be artistically repurposed like hardwood, drapes and nameplates.

Infertility

The Stowers Institute's foundational research focuses on genetic, molecular and cellular contributions to infertility. Multiple research programs study how the integrity of chromosomes is maintained and how chromosomes are distributed during meiosis, the specialized cell division that produces eggs and sperm. Other research explores so-called selfish genes, which break laws of heredity to increase their own chances of being passed on at the expense of the organism's overall fitness and fertility.

In 2022, **published Stowers Institute research** showed how selfish genes successfully spread in yeast, potentially illuminating how they spread in other species, including humans. **Another published research study** from the Stowers Institute in 2022 uncovered a selfish gene family that has survived in yeast for more than 100 million years, more than 10 times longer than previously thought possible.



Chromosomes (magenta, in silkworm ovary cells) must duplicate and then segregate accurately during the process of meiosis to generate healthy reproductive cells and ensure the total chromosome number remains constant in each generation.

Governance

Because of our ownership structure, the company and our employees are uniquely motivated by our commitment to cure life-threatening diseases, including cancer. We see the work we do every day driving progress in the medical community, creating a natural inclination in each of us to contribute our all to every initiative we pursue. The values that drove our founder to create the Stowers Institute guide our organization and shape the way we do business. These values guide how we work together to compete and win and serve as a baseline of mindsets and actions we strive for when hiring, developing talent, doing our jobs and

assessing performance. These winning behaviors exemplify how we provide greater value to our clients every day.

Ownership

American Century Companies Inc. is a privately controlled company and the ultimate parent of the related group of subsidiaries involved in the asset management and the distribution of investment products, collectively referred to as American Century Investments. This group includes American Century Investment Management Inc., our U.S.-

based registered investment advisor. Equity ownership is divided among:

- The Stowers Institute and Stowers family.
- · Tokyo-based Nomura Holdings Inc.
- American Century employees and others.

Nomura acquired a noncontrolling economic interest in American Century in 2016. Our two firms share many common values, including a commitment to making a positive long-term impact on the environment and society and contributing to the achievement of the U.N. Sustainable Development Goals.



Client Focused



Courageous & Accountable

Winning Behaviors



Collaborative



Curious & Adaptable



Competitively Driven

Boards of Directors

American Century Investments has a corporate board of directors that oversees the business and its investments and fund boards that oversee the family of American Century mutual funds and exchange-traded funds (ETFs).

Corporate Board of Directors

As with other corporations, the stockholders of American Century Companies, Inc. have elected a board of directors that is responsible for the oversight of the management of American Century Companies, Inc. and indirectly all its subsidiaries, including American Century Investment Management Inc. The board's responsibilities include governing the organization by establishing broad policies and objectives; selecting, appointing, supporting and reviewing the performance of its officers; ensuring the availability of adequate financial resources; approving significant corporate transactions and initiatives; approving annual budgets; and accounting to the stockholders for the company's financial performance.

Fund Boards

The fund boards of directors/trustees oversee the various American Century U.S.-based mutual funds and ETFs. These boards represent the interests of fund shareholders and oversee the management of the funds by American Century Investment Management, Inc. The fund boards meet quarterly to monitor a wide range of topics, including without limitation: investment performance, shareholder service, administration, regulatory compliance and fund operations.

Corporate Board of Directors



Richard W. Brown Chair of the board, Stowers Institute



Alejandro Sánchez Alvarado, Ph.D. Executive director and chief scientific officer, Stowers Institute



Patrick Bannigan*
Executive vice
president and chief
financial officer,
American Century
Investments



Abby FreemanBoard member,
Stowers Institute



Charles German
Executive vice
president and
general counsel,
Stowers Resource
Management



Gina Kaiser
Board memeber,
Stowers Resource
Management



Brent Kreider
President,
BioMed Valley
Discoveries, Inc.



Robert Stark CEO, Nomura Private Capital, LLC



Tomoyuki Teraguchi Representative executive director and vice chair, Nomura Holdings, Inc



Jonathan Thomas*
President and CEO,
American Century
Investments



David A. Welte Board member, Stowers Institute

*Interested directors

As required by the Investment Company Act of 1940, the boards consist predominantly of independent directors unaffiliated with American Century. The independent directors select and nominate new independent directors in the event of board vacancies and have their own legal counsel. President and CEO Jonathan Thomas is the sole American Century representative on the fund boards.

Management Committee

American Century's Management Committee is responsible for the strategic direction of the firm and all day-to-day decisions involving the company. The group includes our CEO and leaders of five key areas of the company—investment, client, operations, legal and people—engendering alignment and accountability across the firm.

To provide additional input and debate on critical issues facing the company and the entire asset management industry, additional leaders from the various performance groups have been identified to serve on the Expanded Management Committee to lead special initiatives and join the Management Committee for periodic updates.

American Century Kansas City Fund Board

Jan M. Lewis, independent chair

Brian Bulatao

Thomas W. Bunn

Chris H. Cheesman

Barry Fink

Rajesh K. Gupta

Lynn M. Jenkins

Gary C. Meltzer

Jonathan Thomas*

Stephen E. Yates

*Interested director

American Century Mountain View Fund Board

Tanya S. Beder, independent chair

Jeremy I. Bulow

Jennifer Cabalquinto

Anne Casscells

Jonathan D. Levin

Peter F. Pervere

John B. Shoven

Jonathan Thomas*

*Interested director/trustee

American Century New York Fund Board

Reginald M. Browne, independent chair

Jeremy I. Bulow

Barry M. Mendelson

Jonathan Thomas*

Stephen E. Yates

*Interested trustee

Aging and Regeneration

Aging may seem like a natural part of existence, but in fact many organisms can be described as biologically immortal. Research from the Stowers Institute has yielded findings with implications for addressing a broad scope of age-related conditions such as inflammation, hearing loss, glaucoma and the loss of the sense of smell. The Stowers Institute also focuses on aspects of regeneration, the ability of adult stem cells to reproduce many different kinds of cells. Its researchers study flatworms, apple snails, killifish and zebrafish to better understand how these unusual cells and animals accomplish such feats, providing possible blueprints for activating these abilities in new contexts and other species.

Stowers Institute research uncovered a new regeneration mechanism in the sensory hair cells of zebrafish. In humans, damage or death of the delicate hair cells in the inner ear is irreversible, resulting in permanent hearing loss and even deafness. Zebrafish have sensory hair cells remarkably similar to those of humans, yet they can fully regenerate following cell death.

In September, additional Stowers Institute research revealed that a population of macrophages—a type of white blood cell—undergoes a three-step, sequential change in phase and function to enable **sensory cell organ regeneration in zebrafish**. Understanding how the immune system responds to injury, first by inducing inflammation immediately followed by an anti-inflammatory response, provides invaluable knowledge for designing targeted immunotherapies that may be applicable in combating human conditions like hearing loss or deafness and heart or spinal cord damage.



Planarian flatworms have a high capacity for regeneration. Some worms reproduce by regrowing an entire organism from a small portion of their body, generated by stretching until a piece of tissue breaks off.

Ethical Business Conduct

Our firm is committed to implementing best-in-class governance practices and meeting the highest ethical standards. It is how we earn and keep our clients' trust.

Business Code of Conduct

To keep the confidence and trust of our investors and the general public, American Century employees approach their work with integrity and an unwavering determination to act in accordance with the law and the highest standards of ethical conduct and fair dealing in every situation. Our Business Code of Conduct exists to make employees aware of the company's commitment to the highest degree of ethical business standards and includes our Code of Ethics and policies related to outside employment, directorships, independent contracting and gifts and entertainment.

Code of Ethics

The Code of Ethics guides the personal investment activities of American Century employees—including full- and part-time employees, contract and temporary employees, and officers and directors (and members of their immediate families). The Code of Ethics defines

parameters for employees' personal securities transactions to ensure no conflict with the interests of clients' portfolios.

Based on their job functions, employees are assigned one of four Code of Ethics classifications. Each classification carries different reporting requirements and trading restrictions. All employees must complete Code of Ethics training annually. And, new persons who are granted access to portfolio holdings complete training within 10 calendar days of their classification change.

Our Code of Ethics Review Committee oversees employee trading activity, reviews violations and determines any appropriate sanctions. The committee also reviews potential conflicts of interest, such as outside directorships.

Product Governance

Our Products and Markets Committee (PMC) determines a product strategy that will meet the needs of clients and align with the firm's overall business strategy. In addition to the PMC, four other groups provide ongoing governance of the firm's investment products:

- · Investment Oversight Committee.
- Complex Securities Committee.
- · Trade Oversight Committee.
- · Valuations Committee.

Anti-corruption and Bribery

Our Anti-bribery Compliance Committee oversees the firm's comprehensive Anti-bribery Policy and program designed to comply with the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act 2010 and similar laws and regulations worldwide. No gifts, meals, entertainment or anything else of value may be given or provided to any government official, person who might be believed to be a government official or politically exposed person unless approved by the appropriate legal and compliance personnel. All gifts, entertainment and anything else of value must comply with our Business Code of Conduct and Gifts and Entertainment Policy and be reported in the firm's travel and expense reporting system. All employees must certify annually their awareness of and compliance with the Anti-bribery Policy.

Political Contributions

American Century generally does not make corporate contributions to state or local officials or candidates, political parties or political action committees.

Our comprehensive Political Contributions Policy is designed to comply with U.S. Securities and Exchange Commission Rule 206(4)-5, the Financial Industry Regulatory Authority Rule 2030 and Municipal Securities Rulemaking Board (MSRB) Rule G-37, which address "pay-for-play" practices by investment advisors and municipal securities dealers. Among other measures, the policy requires employees to preclear their personal political contributions.

All employees must complete annual certifications stating that they have read and understand the Political Contributions Policy, have precleared and reported their political contributions to compliance and have not asked anyone, including a spouse or family member, to make a prohibited contribution on their behalf. Our compliance department monitors compliance with Rule G-37 quarterly and submits appropriate filings to the MSRB.

Human Rights

As a global organization and good corporate citizen, American Century strongly opposes slavery and human rights violations. We promote high ethical standards and expect suppliers to exhibit high standards as well. As such, we intend to avoid conducting business with or supporting any organization involved in the categories of serious exploitation as provided for in current modern slavery legislation:

- Trafficking in persons.
- · Slavery, servitude.
- Forced marriage.
- · Forced labor.
- Debt bondage.
- · Child labor.
- · Deceptive recruiting for labor or services.

To further this support, American Century is one of the initial members of an investor coalition dedicated to the fight against modern slavery: Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC). IAST APAC is an investor-led initiative convened to promote effective action among investee companies in the APAC region to find, fix and prevent modern slavery, labor exploitation and human trafficking in their value chains. As investors, we expect companies to meet their reporting and compliance obligations and, in doing so, encourage companies to examine broader risks of labor exploitation as a leading

indicator of modern slavery. We are committed to building our understanding of and incorporating best practices into our operations and continually look for ways to advance these issues.

Reporting Problems and Concerns

American Century maintains a Reporting Problems and Concerns Policy that encourages employees to report any potential problems or concerns. The policy outlines who the employee should contact based on the nature of the issue. An employee also has the ability to anonymously submit a concern using a hotline or online reporting platform, both of which are managed by a third-party vendor that notifies American Century of the matter. No adverse action will be taken against anyone who in good faith notifies the company of a concern, reports an incident prohibited by any policy or assists in the follow-up or investigation.

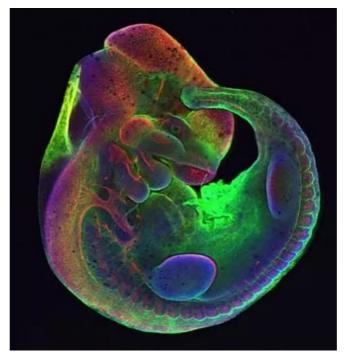
Congenital Conditions

Congenital craniofacial defects arise from disruptions early in the development of cells responsible for forming cartilage, tissue and bone of the head and face. Several papers published in 2022 from the lab of Stowers Institute Investigator Paul Trainor, Ph.D., **investigated the genetic mutations** that result in severe craniofacial conditions like Treacher Collins syndrome (TCS). In July, research resulted in a comprehensive understanding of the pathways involved in TCS and related conditions. This research studied several genetic factors involved in ribosomal RNA (rRNA) transcription and ribosome biogenesis—the construction of ribosomes from rRNA and proteins—and discovered how mutations in these genes preferentially affect cells and tissues that form head and facial structures. Understanding the mechanisms that govern normal and abnormal craniofacial development may lead to therapies that are preventative or, at the very least, diminish the severity of these pathologies.

Research Highlights

Abnormalities occurring in the early stages of development can lead to conditions that are congenital, or present at birth. The Stowers Institute has several areas of research that impact congenital conditions. Ongoing research aims to uncover more precisely how genetic alterations cause congenital conditions to reveal new ways for treating or preventing them:

 A particular focus of research at the Stowers Institute is on neural crest cells, which arise in the primitive nervous system but then migrate to various parts of the body to become many different types of cells, tissues and organs during development. The Stowers Institute's neural





Fluorescent microscopy images of a mouse embryo (left) and a close-up of the digestive tract (right) reveal insight about developmental processes that, when impaired, can lead to developmental conditions such as Treacher Collins syndrome and Hirschsprung's disease.

crest cell research has uncovered genetic, molecular and cellular mechanisms that cause TCS, which affects development of the head and face, and Hirschsprung's disease, which affects nerves of the intestines.

 Another area of focus is on a genome-organizing protein complex whose function is impaired in Roberts syndrome, a rare genetic growth disorder, and Cornelia de Lange syndrome, a condition characterized by slow growth.

Risk Management

Risk management is an inherent part of our corporate culture. A comprehensive framework guides awareness, identification and management responsibilities across all levels of the firm. We promote an environment that requires integrity, fosters innovation and encourages sound business practices.

Working with the legal and compliance departments, each business unit is responsible for the ongoing evaluation of the business environment it operates within to identify emerging risks and implement and/or enhance risk management policies, processes and controls tailored to their business units. In addition, senior leaders from across the organization serve on various risk oversight committees, including the Investment Oversight Committee, Trade Oversight Committee, Complex Securities Committee and Code of Fthics Review Committee. The internal audit department performs objective assessments using tests that independently assess the effectiveness of the company's control environment. The Productivity Quarterly Review provides a platform for formal assessment of productivity efforts, oversight of enterprisewide risk and identification of emerging risks.

Cybersecurity, Data Protection and Client Privacy

Trust underpins any solid relationship and assumes great importance for us because clients entrust their financial futures to our care and count on us to keep that information confidential. Our Privacy and Security Policy explains how and why we collect certain information, while our Privacy Notice details how we collect, share and protect clients' personal information.

Because safeguarding our operations and clients' personal information is paramount, American Century deploys cutting-edge technologies to help prevent, detect, assess and respond to information security and cybersecurity risks. A steering committee of representatives from each business function oversees information security policies that align closely with International Security Standard (ISO) 27001, industry best practices and relevant regulations.



Two American Century employees, Abby McGrath and Teresa Gustavson, attended the 2022 Collibra Data Citizens conference. Teresa, on the right, participated in a panel discussion on our Collibra journey and had a line of attendees waiting after the panel to ask more questions.

The Information Security team continuously monitors our data protection systems, provides risk assessment and consults on appropriate security countermeasures. An annual SOC 1 (system and organization controls) audit provides an external review of our information security controls and their effectiveness.

Our annual employee awareness program informs and reinforces information security policies by coordinating communications for our compliance, privacy, physical security, information security and business continuity groups. New employees must read and acknowledge the Confidential Information and Asset Policy. We have implemented a bimonthly program that delivers immediate training to employees who click on links in simulated phishing emails. The Information Security team provides additional security training to the company's information technology developers.

Information security due diligence on third-party firms and vendors includes:

- A formal review process for vendors that handle sensitive information.
- Background checks on third-party employees who would have access to sensitive information or login access to our systems.
- Confidentiality agreements with third-party firms and vendors with access to critical data.

Business Continuity and Resiliency

Wide-ranging, global business continuity and resiliency programs focus on preparing for and recovering from unpredictable events and activities (e.g., technological, environmental, terrorist) that could disrupt normal business operations and affect the physical safety of our employees.

Our Crisis Management team coordinates activities firmwide among the emergency response, business continuity, information technology and business unit management groups. The Business Continuity team develops and manages enterprisewide planning and recovery activities, including separate recovery plans for each company office, system recovery and the potential impact of changing regulations on recovery planning. Dedicated staff work with critical business units to maintain and evolve business continuity operating procedures.



Managing Money, Making An Impact

American Century Investments® is a leading asset manager focused on delivering investment results and building long-term client relationships while supporting innovative medical research that can improve human health. It's how we and our clients together **Prosper With Purpose**®

Every day people are increasingly focused on investing to make the world a better place for themselves, their families, their organizations and the world at large. It is possible to live a more meaningful and impactful life and give back something that's more valuable than money.

When you invest with us, you can also invest in the future of others and have the potential to impact the lives of millions. That's possible because of the distinct relationship with the Stowers Institute for Medical Research, which owns more than 40% of American Century. Our dividend payments provide ongoing financial support for the Institute's work of uncovering the causes, treatments and prevention of life-threatening diseases, like cancer.

Together we can become a powerful force for good.

Many of American Century's investment strategies incorporate the consideration of environmental, social, and/or governance (ESG) factors into their investment processes in addition to traditional financial analysis. However, when doing so, the portfolio managers may not consider ESG factors with respect to every investment decision and, even when such factors are considered, they may conclude that other attributes of an investment outweigh ESG considerations when making decisions for the portfolio. The consideration of ESG factors may limit the investment opportunities available to a portfolio, and the portfolio may perform differently than those that do not incorporate ESG considerations. ESG data used by the portfolio managers often lacks standardization, consistency, and transparency, and for certain companies such data may not be available, complete, or accurate.

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ESG Definitions

- ESG integrated: An investment strategy that integrates ESG factors aims to make investment decisions through the analysis of ESG factors alongside other financial variables in an effort to deliver superior, long-term, risk-adjusted returns. Therefore, ESG factors may limit the investment opportunities available, and the portfolio may perform differently than those that do not incorporate ESG factors. Portfolio managers have ultimate discretion in how ESG issues may impact a portfolio's holdings, and depending on their analysis, investment decisions may not be affected by ESG factors.
- ESG focused: An investment strategy that focuses on ESG factors seeks to invest, under normal market conditions, in securities that meet certain ESG criteria or standards in an effort to promote sustainable characteristics, in addition to seeking superior, long-term, risk-adjusted returns. This investment focus may limit the investment opportunities available to a portfolio. Therefore, the portfolio may underperform or perform differently than other portfolios that do not have an ESG investment focus. ESG-focused investment strategies include but are not limited to impact, best-in-class, positive screening, exclusionary and thematic approaches.

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