PineBridge® INVESTMENTS

Financial Reporting Council
2024 UK Stewardship Report



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Executive Summary

PineBridge Investments is a private, global asset management firm focused on fundamentally researched, actively managed, high-conviction investing to deliver industry-leading outcomes for our clients.

At PineBridge, we recognise that stewardship is a vital aspect of managing assets on our clients' behalf, and it is an important component of effective ESG incorporation that benefits both our clients and the companies or entities in which we invest. We believe that an ongoing open dialogue with our investee companies is a constructive method of driving positive change, encouraging transparency, and ultimately promoting and participating in sustainable long-term value creation for our clients.

PineBridge is pleased to share our 2024 UK Stewardship Code Report, which outlines our ongoing commitment to effective stewardship and transparency and highlights our key accomplishments for the year. As outlined in this report, we continue to prioritise transparency and accountability in our corporate governance and risk management practices, ensuring that our actions align with our values and the expectations of our stakeholders, with the goal of supporting our clients. In 2024, we continued to conduct impactful engagements and vote proxies in the best interests of our clients.

Building on the strong foundation of disclosures through the Principles for Responsible Investment (PRI) and the UN Global Compact Communication of Progress in prior years, PineBridge published our first Task Force on Climate-related Financial Disclosures (TCFD) report in June 2024, which comprehensively detailed our strategy on climate-related risks and the governance mechanisms we use to monitor such risks, pursuant to the UK Financial Conduct Authority's (FCA) disclosure requirements for asset managers. Our second TCFD report was published in 2025, covering our 2024 activities and initiatives, including the firm's first assessment of our operational emissions in partnership with the carbon accounting platform Greenly, as outlined in this report. As a member of The Institutional Investors Group on Climate Change (IIGCC), PineBridge participates with asset management industry peers in working towards a climate-resilient future.

PineBridge remains committed to proactively monitoring the dynamic political and regulatory environment to stay aligned with industry best practices and deliver optimal support to our clients. In the year ahead, we will continue to work in close partnership with our clients to meet their unique investment objectives and consistently strive to exceed expectations.

Moving forward, we continue to strengthen our commitment to long-term value creation via active stewardship and engagement activities, including facilitating ongoing discussion between investment teams, providing training opportunities, and seeking ongoing improvement. As a signatory of the UK Stewardship Code, we are committed to adhering to ongoing transparency with respect to our stewardship and engagement activities.

This report outlines how PineBridge's approach to stewardship aligns with the Financial Reporting Council's (FRC) UK Stewardship Code requirements and demonstrates our ongoing commitment to the code's principles.

We are pleased to share as of December 2024, Pacific Century Group (PCG), our parent company, and PineBridge Investments have entered into an agreement for MetLife Investment Management (MIM) to acquire PineBridge Investments. We expect the sale to close in Q4 2025.

PineBridge Investments aligns with the Financial Reporting Council's UK Stewardship Code and welcomes its principles, which seek to improve the interaction of institutional investors with the management of companies. As a global asset management firm, PineBridge views the Code as an effective roadmap to serve the best interests of our clients by seeking to improve environmental, social, and governance outcomes for our investments.

PineBridge Investments is pleased to report on our stewardship activities for 2024, organised by the Code's 12 principles to facilitate review.

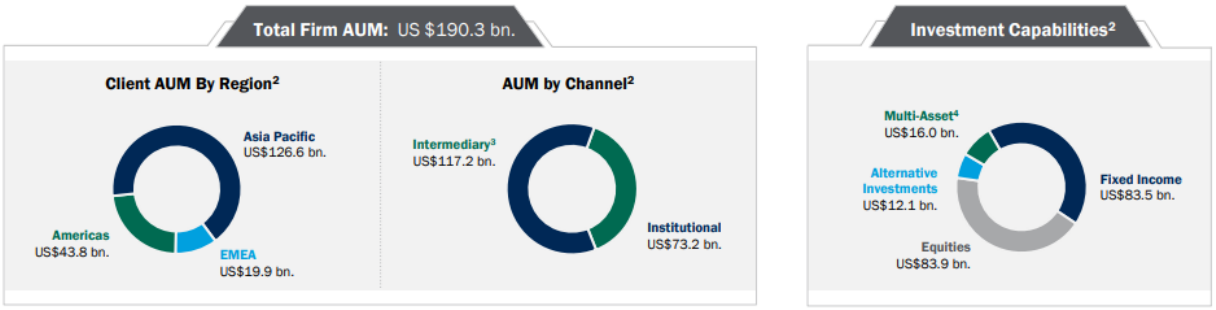
Principle 1: Purpose, strategy, and culture

PineBridge Investments is a private, global asset management firm focused on fundamentally researched, actively managed, high-conviction investing to deliver industry-leading outcomes for our clients. How we select and govern investments on our clients' behalf, as well as governing ourselves to ensure that we earn and keep their trust as a good steward, is central to our strategy as a firm.

As of 31 December 2024, PineBridge managed US$190.3 billion across four asset classes: Multi-Asset, Fixed Income, Equities, and Alternatives. Each group establishes its own investment processes applicable to the asset class and operates with a global team. The firm has 741 employees, including 223 investment professionals,[1] across 24 offices in the Americas, EMEA, and Asia. Our firm's main headquarters is located in New York, and our regional headquarters are in Hong Kong, London, and Tokyo.

While PineBridge is a mid-sized firm, we have the breadth and geographic reach usually associated with the very largest in the asset management industry. Our size is a key strategic advantage, allowing us to harness the power of collaboration across our teams to deliver superior investment outcomes for our clients. In addition, PineBridge seeks to combine the structure and reach of a globally connected investment manager with the client-focused advantages of a private company. This means identifying investment opportunities for our clients, delivering superior investment performance through collaboration across teams, and providing a high degree of attention and service at every client touchpoint to achieve their investment objectives. We are governed by a corporate structure that ensures regulatory compliance, the achievement of client objectives, and adherence to our firmwide principles – including those related to environmental, social, and governance (ESG) issues and stewardship.

Our clients include corporate and public pensions, insurance companies, sovereign wealth funds, intermediaries, and high-net-worth individuals. As a privately owned firm, we adopt a long-term perspective that ensures our interests are fully aligned with those of our clients.



Data as of 31 December 2024. ²US$93.5 billion (US$66.4 billion Equities, US$21.1 billion Fixed Income, US$6.0 billion Multi-Asset and US$1.4 million Alternatives) of assets managed by joint ventures or other entities not wholly owned by PineBridge Investments. Includes PineBridge Benson Elliot Real Estate AUM of US$4.1 billion. ³Includes approximately US$427.0 million in retail assets. ⁴Multi-Asset includes US$5.1 billion allocated opportunistically by the Multi-Asset team to PineBridge Equity, Fixed Income and Alternative strategies. Due to rounding totals are approximate.

[1] Investment professionals include portfolio managers, research analysts, traders, portfolio strategists, and product specialists, and are subject to change.

Strategy and focus on servicing our clients' needs

PineBridge has identified specific growth, revenue, and profitability targets and seeks to achieve those targets by delivering top-quartile performance across its investment platform and creating an exceptional experience for our clients. Over the next five years, the firm plans to:

- Focus on markets and channels where our investment platform and "boutique" size are an advantage; deepen and expand global institutional and insurance client relationships, while broadening our base in high-net-worth channels.
- Develop our investment platform, aligned with investor needs, by building scale in existing strategies, introducing new products, and bolting on capabilities that align with the firm's active, high-conviction approach
- Continue to build a scalable, efficient operational infrastructure to support sustainable long-term growth and profitability.
- Maintain its unique corporate culture and become a preferred employer, with industry-leading best practices in corporate and social responsibility.

We believe in execution through a well-defined agreement and interaction framework with our clients

We view our relationships as partnerships, and while we are a global firm, our sales and marketing strategy is regionally driven, ensuring that we meet local market needs and priorities. Our client base comprises sophisticated investors including pension plans, insurance companies, official institutions, private banks, advisors, and intermediaries around the world. We work closely with clients to understand their objectives, help solve their challenges, and commit to exceed our clients' expectations across each interaction with us. It is important to have a clear understanding of client objectives and how closely they are aligned to our capabilities and the clients' expectations. Each of PineBridge's clients is matched with a seasoned Client Relationship Manager that is supported by a team of Client Associates.

Our investment teams employ customised, active approaches to help clients achieve their investment objectives. We further discuss our client service and commitment to meeting our clients' expectations in *Principle 6*.

Responsible investing is at the core of our focus on investment excellence

PineBridge Investments recognises that ESG factors may create opportunities and risks both for our firm and for the companies in which we invest. Our approach focuses on how companies plan to address their own specific ESG factors that may help reduce the risk of adverse outcomes and support firm valuation over time. Specific to sustainability, PineBridge believes that businesses that assess these factors in their operating models may enhance value by reducing or avoiding unnecessary adverse outcomes. Please see our Responsible Investing Statement for further details of our approach.

At PineBridge, we recognise that the concerted efforts of governments, industry peers, and other stakeholders are needed to make a real difference in the challenges facing our world. As of 31 December 2024, our sustainability efforts adhere to the following codes and initiatives to advance our efforts alongside the broader financial industry. In addition to these voluntary initiatives, as a baseline of operating, PineBridge adheres to applicable global and local regulations.

Here is a list of ESG initiatives that PineBridge is involved in.

Signatories

- Principles for Responsible Investment (PRI)
- UN Global Compact (UNGC)
- UK Stewardship Code
- UK Modern Slavery Act
- Australian Modern Slavery Act
- Japan Stewardship Code
- Taiwan Stewardship Code

Memberships

- The Institutional Investors Group on Climate Change (IIGCC)

- Sustainability Accounting Standards Board (SASB)

As high-conviction investors, we are extremely selective. We perform due diligence on companies with ESG either fully integrated or considered in most of our end-to-end investment processes. As investors and global citizens, we look for continuous improvement in ESG metrics rather than a narrow focus on a company's current state of being, which is prevalent in the industry through its overreliance on data vendors.

With our research-driven, active, high-conviction approach, we are able to advocate for, and encourage, change in the select companies in which we invest. We do this by maintaining an active dialogue with management and co-investors, as well as partnering with them to define and advance best practices, leading to improvement over the medium to long term.

As responsible corporate citizens, we understand that being a good steward of our clients' capital goes beyond simply integrating ESG into our investment decisions. It is also about engaging with investee companies to drive improvement and aligning our proxy voting principles with the forward-looking expectations for material ESG improvement that we have integrated or considered in our investment processes.

It is also about how we conduct ourselves as a firm. This means being a supportive and empowering employer, an involved member of our communities, a trusted partner for our clients, and a respectful, compliant firm in the numerous jurisdictions in which we operate.

Measuring our outcomes

Our focus on investment excellence has resulted in the following: above-industry-average organic asset growth, below-industry-average employee turnover, strong long-term investment performance, and industry awards. For example, in 2024:

- For the fifth year in a row, PineBridge was recognised as one of *Pensions & Investments'* Best Places to Work, placing us among the top employers in the asset management industry for commitment to employees.[2]

- Our below-industry-average employee turnover and above-industry-average organic growth speak to favourable outcomes for our aspiration to meet expectations for clients and staff.

- The meetings with the top management of companies conducted by our investment teams indicate an active culture of engagement. Our voting in approximately 2,500 proxy meetings, many in emerging markets, with a 98.8% voting record demonstrates our commitment to escalate issues on behalf of our clients.

At PineBridge, we recognise that the concerted efforts of governments, industry peers, and other stakeholders are needed to make a real difference in the challenges facing our world. Our engagement approach at PineBridge focuses on material ESG factors that may improve the company's risk management considerations, supporting increased valuations over time and further underpinning the investment opportunities we aim to uncover for our clients. Material factors can differ between companies, sectors, and asset classes. In addition, we can include client driven factors that suit client investment objectives where appropriate. These ESG factors may include, but are not limited to, the following:

Environmental	Social	Governance
Climate Risk Adaptation & Mitigation	Human Rights	Corporate Governance
Nature-related Risk and Management	Workforce and Value Chain Diversity, Equity, and Inclusion	Anti-Corruption
Decarbonisation	Leadership and Oversight	Boards and Management
Water & Waste Management	Health, Safety, and Wellbeing	Executive Remuneration
	Human Capital	Transparency, Risk, and Reporting

[2] For the Best Places to Work in Money Management List, *Pensions & Investments* partnered with Best Companies Group, a research firm specialising in identifying great places to work, to conduct a two-part survey process for employers and their employees. For details on eligibility criteria and the survey's methodology, please visit https://www.bestplacestoworkmm.com/eligibility-criteria

Environmental	Social	Governance
		Governance and Stakeholder Protections

In addition, we continue to challenge ourselves and raise the bar for the changes we want to see in the companies in which we invest. We have improved our internal capabilities by investing further in our people and resources, and we will continue to do so.

1) Climate change

At PineBridge, we recognise that climate change and its associated risks pose increasing challenges to the global economy. We engage with our portfolio holdings to take responsible and economic actions, to meet client expectations, towards climate-associated risks. We believe this results in long-term economic value. PineBridge is committed to furthering its stewardship and engagement practices to drive actionable change toward climate change mitigation and adaptation practices.

Our climate policy aims to support climate mitigation through engagement with companies to better identify potential climate risks and opportunities, in a manner that benefits our clients. For more details, please see the PineBridge Climate Policy.

Climate change was identified as an objective in 48% of the engagements in 2024, as reported in the firm-wide engagement report. We are improvers, and not up-front excluders, seeking to engage with company managements across industries to improve their carbon footprints. We will continue to engage with companies that demonstrate a commitment to improve, along with a path towards supporting global carbon neutrality. Please refer to *Principle 9* for an example that shows how the Equities investment team engaged with a Japan-based air conditioning construction supplier to disclose Scope 3 emissions and then provide plans to reduce these emissions.

2) Equal Opportunity Employer & DEI

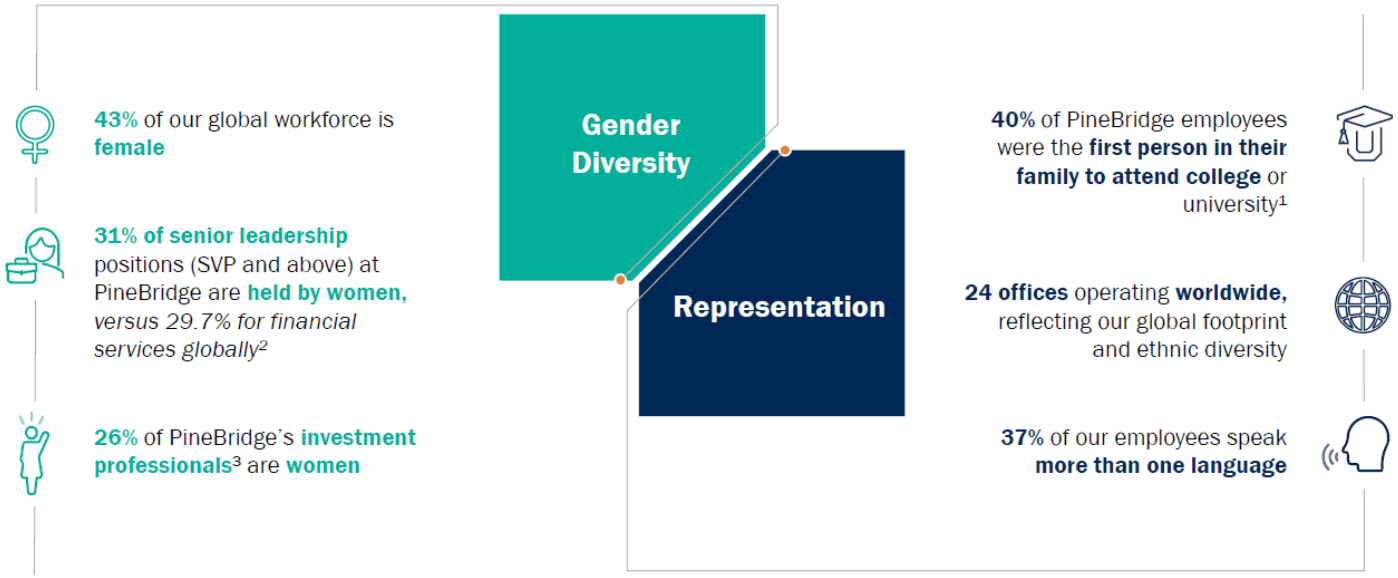
PineBridge Investments is a geographically and culturally diverse firm. We believe that a diverse and inclusive corporate culture is central to driving better business outcomes and fostering growth. Our belief is that each person brings unique strengths to a business and that each person shares responsibility for helping to ensure an inclusive and welcoming culture of equity.

Our employees are at the heart of everything we do. We attract, engage, and retain the best talent in the industry by focusing on our people, practices, and culture. PineBridge promotes a positive and respectful workplace through our employees who demonstrate behaviors aligned with the firm's values around integrity, accountability, and collaboration.

PineBridge Investments is an Equal Opportunity Employer. Every employee has the right to work in an environment free from all forms of discrimination. PineBridge Investments is committed to the following, without regard to race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, socio-economic status, disability, AIDS/HIV status or military service, or any other dimension of diversity:

- Recruiting, hiring, training, and promoting into all job levels the most qualified applicants.
- Making personnel decisions including, but not limited to, compensation, benefits, transfers, company-sponsored training, tuition assistance.
- Administering and supporting Employee Resource Groups (ERGs), social and recreation programs.

Who We Are



[1]PineBridge as of 31 October 2024. Results from 2024 voluntary survey of employees of 627 respondents representing 87% of total employees.
[2]Source: World Economic Forum, Global Gender Gap Report, June 11, 2024. https://www.weforum.org/publications/global-gender-gap-report-2024/digest/
[3]Investment professionals include portfolio managers, research analysts, traders, portfolio strategists, real estate investment management and product specialists. Subject to change.
Remaining diversity and representation statistics sourced from PineBridge Investments as of 31 October 2024.

During 2024, DEI topics were identified as an objective in 26% of our engagements across asset classes, as reported in the firm-wide engagement report. In our stewardship and engagement efforts, we aim to ensure that companies are adopting and implementing equitable and inclusive recruitment, development, and promotion practices. When deemed material, we will hold company leaders accountable to promote a more inclusive and diverse workplace. Please refer to *Principle 9* for an example of engagement by the Multi-Asset investment team to advocate for improved disclosures and demonstration of commitment to diversity.

For more information on the firm's approach to DEI, please refer to *Principle 2.*

3) Human rights

As a signatory of the UNGC, we recognise that ensuring human rights and dignity is essential to sustainable development. Our obligation to clients is to address the risk of gross human rights abuses or corporate negligence by companies or entities in which we invest or may invest, as well as ensuring that PineBridge itself is aligned with applicable laws and UN conventions. In our vendor selection, we take into account whether our vendors meet the same high standards that we set for ourselves regarding our employees and human rights. We believe that a diverse, strong, and inclusive workforce is central to driving better business outcomes and fostering growth. For more information on the firm's approach on human rights, please refer to *Principle 2*.

During 2024, human rights was identified as an objective in 10% of our engagements across asset classes, as reported in the firm-wide engagement report.

For more details, please see the firm's latest Corporate Responsibility Report: Building on our Strong Foundation.

Our culture is reflected through our mission and values

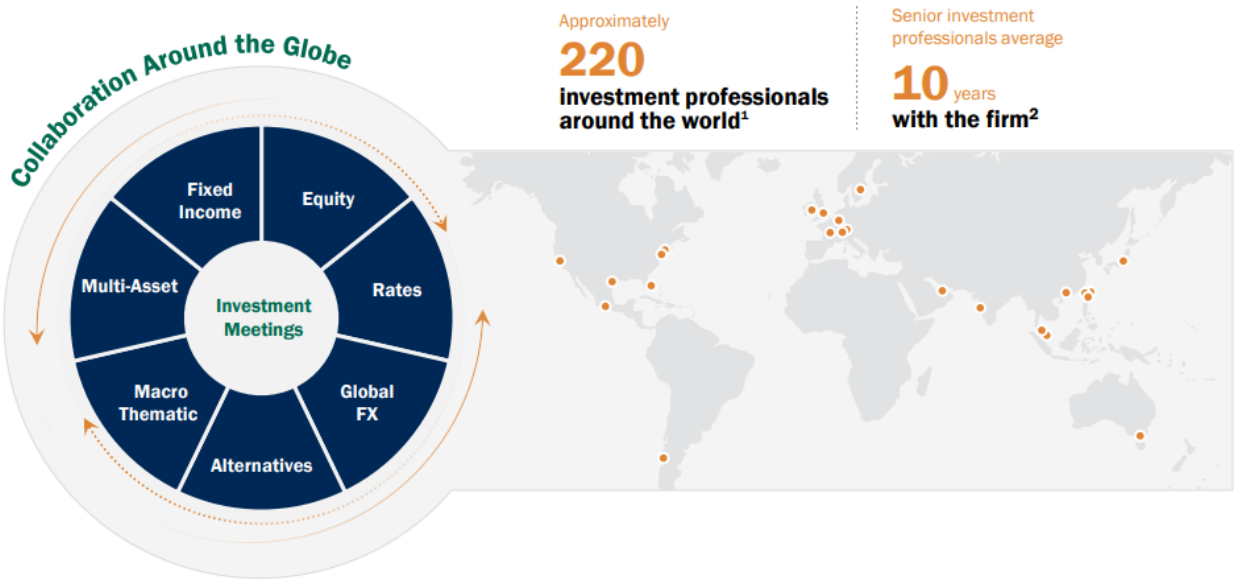
A collaborative global team is at the heart of our firm's culture and underpins everything we do. Our mission is to exceed clients' expectations on every level, every day.



We benefit from diversity of thought when colleagues bring different opinions and skill sets to our investment and business decisions – critical to adding value for our clients and, in turn, succeeding as a business ourselves. These interactions take place in a network of regular investment forums bringing teams together across disciplines, markets, and regions of the world. We consistently reinforce the need to offer differing perspectives and to be able to disagree without becoming disagreeable in order to achieve the best outcomes through informed debate.

A collaborative culture helps cultivate the best ideas

Local insights, coupled with open sharing and debating of ideas, help us uncover opportunities and identify risks. This is evident in PineBridge's global collaboration, not only among the investment teams, but among all employees across the globe.



As of 31 December 2024. [1]Investment professionals include portfolio managers, research analysts, traders, portfolio strategists, and product specialists, and are subject to change.

[2]Includes investment professionals at the senior vice president and managing director level.

Firmwide collaboration

While many firms speak about their collaboration, they often refer to it within their investment teams. PineBridge's nimble size allows for meaningful tactical collaboration in the global markets. Our decades of collaborative experience have taught us that collaboration does not happen by accident, and it is a top goal of our senior management.

In any given month at PineBridge, we hold several regular forums within our listed securities asset classes that are open to the whole firm. For example, we have Global Industry Clusters that are staffed with investment professionals with specialist industry knowledge from our Equities and Fixed Income asset classes who bring diverse perspectives each month to generate non-consensus views. Other monthly investment meetings include our Investment Strategy Insights Meeting, Fixed Income Asset Allocation Team meeting, Listed Equity Insights meeting, and Asia Positioning Call. In each of these meetings, we debate chosen market topics and share views on asset classes, industries, and regions. On a quarterly basis, the Global Multi-Asset Team organises 19 cross-team forums focused on the next five years.

We believe in investment success built on constant knowledge sharing. Our communication infrastructure allows us to regularly engage in meaningful debate to arrive at decisions that inform our portfolio positioning. Each investment team has a similar process, with some overlapping and some asset-class-specific communication meetings.

In addition to these structured forums, we provide incentives to collaborate through performance appraisals and reciprocity. For example, in Listed Equities, which relies greatly on knowledge-flow at the industry and security level, the yearly incentive compensation allocates 30% for collaboration measured annually. For Multi-Asset, the deferred component of compensation for investment professionals has a portion linked to the performance of the flagship Multi-Asset strategy.

Our goal is to create investment networks across teams, geographies, and asset classes and maintain regular communication. The global asset class heads, along with our formal review process, monitor and reinforce this collaboration to ensure that these informal networks are in play and that collaboration between teams is taking place. We have developed a culture of sharing just as easily across the globe as across the table, with an ease of operating across time zones and a sense of responsibility towards each other as colleagues. This ability to collaborate to generate investment ideas is a key step in our investment processes, which leads to our goal of consistency in delivering investment results to our clients in all market conditions. It also nurtures a culture that thinks of the greater good beyond the immediate self or team. We believe this more holistic view benefits all our clients and also serves as an important bridge to knowledge sharing in building sustainability practices. This is a continuous journey.

Strong employee retention and culture

We have high employee retention metrics across functions. In fact, our senior investment professionals have an average tenure of 10 years at the firm. This, in turn, contributes to their ability to mentor emerging talent and foster a culture of inclusion.

Our employees have consistently expressed strong satisfaction with their managers, teams, and our inclusive company culture. And we believe the benefits of our firm's cultural foundation and collaborative network manifest in better-informed investment decisions and our ability to deliver the right results, achieved the right way, for our clients.[3]

Our March 2024 voluntary employee engagement survey[4] results show that:

- 80% strongly agree/agree that they can get the support they need from their manager
- 80% strongly agree/agree that they would recommend their manager to others
- 80% strongly agree/agree that they are satisfied with their team
- 78% strongly agree/agree that PineBridge has a great culture

[3] According to the last five years of PineBridge Employee Engagement Surveys conducted anonymously.
[4] Viva Glint employee engagement survey issued March 2024.

Business model and strategy: Global perspective, local insights

While a US-headquartered firm, our longstanding presence in Asia gives us a strategic advantage, with approximately 50% of our staff resident in the region and offices in Hong Kong, Japan, India, Taiwan, Singapore, Malaysia, and Australia. Asia is not only the world's largest economic region in terms of gross domestic product, but it also represents the highest contribution to annual global economic growth. PineBridge recognises the value of a broad investment platform and believes in embedding local talent in the major markets, such as Asia. As an example, over 90% of our staff in the Hong Kong office are locally sourced talent with deep regional experience. Our on-the-ground investment professionals in Asia continuously collaborate with their counterparts in Europe and the Americas in the structured forums described above. We strive to build a global culture.

This knowledge exchange, in which we share local insights and global perspectives, results in the identification of investment opportunities and the development of secular investment themes that are expressed in our portfolios across asset classes. It also results in the sharing of best practices, including on ESG issues, and in consistent application of our investment processes within each asset class.

Our goal is to deliver the firm's full spectrum of investment capabilities and solutions to investors around the world. Our distribution teams consist of sales and client relations staff located in each of the major markets in which we operate. This allows us to achieve speed of response and a proper understanding of clients' needs, which are often nuanced, and how best to follow the applicable regulatory structures. This gives our clients comfort while also helping us be a better corporate citizen in the countries and communities in which we operate. To this end, our control and support functions are designed to achieve the highest global standards while also meeting or exceeding all local client and regulatory requirements.

Investment beliefs: Actively incorporating ESG

Each asset class is necessarily responsible for its own investment process because they operate in different segments of the capital markets, as well as in different segments of the capital structure, and they must invest on behalf of those interests. In addition, all of our asset classes are fundamentally driven with medium- to longer-term forward-looking perspectives. At PineBridge, as in the industry, ESG began in Equities, spread to Fixed Income then to Multi-Asset, and is now spreading to some Alternatives. Now our asset classes are benefiting from the firm's early efforts while advancing their ESG practices in line with corporate values and principles yet also consistent with the different vantage points for engagements with investee companies or other entities of the varying asset classes.

We embrace active, high-conviction investing and have developed investment processes that seek excess returns. In evaluating investment opportunities, we either fully integrate or consider ESG factors into our investment analysis, recognising that such practices lead to more sustainable cash flows in the medium to long term. Across all our asset classes, we believe that commercial success depends on the quality of governance and leadership, which in turn drives the competitive position of the business and its impact on society and on the environment. We assess, and appropriately weight, materiality issues for our investments, going deep in our due diligence as part of our investment process in order to anticipate, and correctly value, changes in the business over time. Ultimately, as fiduciaries of our clients' assets, our approach seeks to generate meaningful results for our clients – in the mutually dependent promotion of higher environmental and social standards and strong investment results – over a medium- to long-term time horizon. We also understand the long term is made up of a number of short terms, and therefore we seek continuous improvement.

Engagement

Engagement methods and approaches may vary across asset classes.

- Our Equity colleagues can exercise their proxy vote
- Our Fixed Income colleagues can have an impact at issuance
- Our Multi-Asset colleagues can decide which asset class segments to invest passively in
- Our Private Market colleagues can often have more direct control

In some of our Equity and Fixed Income strategies, we seek to ensure that the improvements identified on ESG issues when making the investment are more likely to occur as a result of our engagement. As a firm, our priorities are engaging for climate, DEI, and human rights considerations, although various teams supplement those priorities

with others that may be material based on the nature of the investment.

Proxy voting

Under the oversight of the firm's Stewardship Committee, PineBridge has established proxy voting policies and procedures that reinforce the firm's governance, climate, DEI, and human rights priorities, and that harmonise with our teams' forward-looking expectations and engagement for improvement regarding ESG considerations. Our objectives are to ensure:

- Voting policies are aligned with our firm's principles, as we are aware of how best-of-breed peers are evolving their voting practices.
- Voting is in the best interests of our clients.
- Voting procedures are clearly outlined.
- Transparency for our clients to obtain information on how PineBridge has voted their proxies.

We engage a third-party vendor to assist us in developing our proxy voting policies and custom proxy voting guidelines and then administer proxy voting on our behalf. For more information on our proxy voting process, please refer to *Principle 12:* Exercising rights and responsibilities.

Principle 2: Governance, resources, and incentives

At PineBridge, we aim to add value by nurturing our globally inclusive workplace, engaging with the communities in which we live and work, and seeking to invest in companies that are committed to building financial success while mitigating risk through the improvement of their practices.

PineBridge Investments recognises that ESG factors may create opportunities and risks both for our firm and for the companies in which we invest. Our approach focuses on how companies plan to address their own specific ESG factors, which may help reduce the risk of adverse outcomes and support a company's valuation over time.

As such, PineBridge ensures that we have a robust risk management system in place. Transparency via disclosure and rigorous management accountability are essential both for our investee companies and for our own business. Understanding that our people are vital to this effort, various policies govern employees' conduct while providing mechanisms for identifying risks and reporting violations, including whistleblowing.

PineBridge Investments LLC

PineBridge Investments LLC ("PBI") is governed by its board of directors ("the Board"), which is ultimately responsible for ensuring that resources are appropriately allocated to risk management. PBI's management team reports to the Board. The Board's Governance Committee members serve as advisors to the CEO on strategic matters, general management, governance, and other relevant topics as they arise. PBI's Board meets on a quarterly basis.



As of 31 December 2024
[1]Board of Directors of the General Partner (Bridge Holdings Company Limited)

PineBridge's Board has risk management responsibilities that are defined by best practices, guidelines, and relevant laws and regulations. The Global Risk and Compliance Committee (GRCC), comprising several of the firm's executive leaders, assists the Board in assessing the different types of risk to which the organisation is exposed and oversees the Regional Risk and Capital Committees and Regional Approval Committees. The GRCC is responsible for oversight of PineBridge's risk management process and is co-chaired by the Chief Financial Officer and the Chief Risk Officer, who spearheads the firm's risk management efforts, manages the development of the risk architecture across the firm, and oversees the ongoing monitoring of risks globally.

PineBridge Investments Europe Ltd

In addition to the governance framework of PineBridge Investments LLC (PBILLC) in the United States, PineBridge Investments Europe Limited (PBIEL) maintains its own governance structures and oversight arrangements at the regional level, reflecting its responsibilities as the UK entity and signatory to the UK Stewardship Code.

PBIEL is governed by its board of directors, which provides oversight of activities and is ultimately responsible for ensuring that risks are properly managed and that appropriate resources are allocated to the management of such risks. In 2024, the board of directors of PBIEL met on a regular basis to oversee the general management and conduct of all aspects of its business.

PBIEL's board has responsibility for the approval of the strategic business plan, risk appetite and the annual budget. While PBILLC provides global oversight, PBIEL maintains its own governance framework tailored to its regulatory obligations and operational context.

The governance structure includes supporting committees that report to the board of directors: the executive committee, the risk and capital committee, and the remuneration committee. The supporting committees meet at various frequencies and at such other times at the discretion of the chair. In conjunction with the supporting committees, senior managers lead the key investment, business development and support teams. Day-to-day decisions affecting the business are taken by the London-based senior management team.

Corporate responsibility governance structure

Our Stewardship Committee traces back to 2000. Inclusion of ESG considerations in our firm's investment process dates back to 2006. We established our ESG Investment Committee in 2014 to oversee and ensure best practices between the asset classes and investment teams. We have been a PRI signatory since 2015. In 2019, to continue strengthening and evolving our approach to corporate responsibility on ESG issues and beyond, PineBridge formed its Corporate Responsibility Steering Committee ("CRSC"), led by a committee chair with membership that includes our CEO and represents professionals across the organisation, diversified by region and function. We continually review the structures and resources supporting the firm's sustainability efforts.

PineBridge considers its investment teams to be best placed to decide on the most appropriate manner of ESG integration into their investment process, in line with their activities and specific investment opportunities. The Corporate Responsibility Team, discussed below, consists of professionals with significant ESG expertise who actively support individual team efforts by providing individual or shared resources and seek mechanisms for collaboration on sustainability issues across investment areas where beneficial.

The Corporate Responsibility Team

In 2021, we appointed Kate Faraday as full-time Global Head of Corporate Responsibility, reporting directly to the CEO. In her role, Ms. Faraday oversees the firm's corporate responsibility strategy and execution of key initiatives to incorporate sustainability principles into PineBridge's investment process, stewardship, and corporate practices. She has been with PineBridge since 2007, having previously served as a portfolio manager on our Global Equity team.

The Corporate Responsibility Team, led by Ms. Faraday, seeks to reflect the firm's values and continued mission to bolster our sustainability and governance practices both within our investments and at the firm level. In addition to collaborating with the four subcommittees, the Corporate Responsibility Team works in tandem with the investment teams to ensure consistency of our practices across the investment teams and the firm. The team's wide range of expertise enables the group to provide value-added input to clients' sustainability processes and initiatives.

Throughout 2024, the team continued to strengthen its client advisory services, aiming to provide guidance and strategic planning on sustainability policy and regulatory leadership. PineBridge's Corporate Responsibility client offerings are designed to address key sustainability market drivers, spanning regulatory requirements, stakeholder expectations, industry practices, and internal factors to create value across industries at every level of an organisation. These offerings include customised services based on our clients' specific needs with discrete steps and analytical stages. As a team, we look forward to continuing to expand the scope of our offerings to enhance the value for our clients.

Integrated Sustainability Expertise Across Corporate and Investments

Distinct sustainability expertise that seamlessly bridges organizational excellence and investment intricacies.

Kate Faraday
Global Head of
Corporate Responsibility



- With a strong background in investments and organizational management, Kate is at the forefront of industry-leading sustainability practices, bridging corporate responsibility strategy and the intricacies of sustainability across investment portfolios.
- Deep experience in investments spanning 22 years, including roles as a global equity trader, portfolio manager for PineBridge's Research Enhanced quantitative equities strategies, and Head of Client Portfolio Management.
- Executive MBA degree from the Zarb School of Business at Hofstra University and a Bachelor of Science degree from Nazareth College of Rochester.
- Chair of the Board of Directors and member of the National Organization of Investment Professionals (NOIP) and a Board member of WISE-Working In Support of Education.



Krishna Goenka
ESG & Corporate Responsibility
Analyst I Mumbai

- Background in Sustainalytics and SG analytics on diverse reporting frameworks, crafting comprehensive Standard Operating Procedures (SOPs), and developing internal methodologies.
- Has extensive research and QA experience.
- Master's degree in Business Administration with a specialization in Finance from Mumbai University.



Thomas Humphries
Sustainable Investing
Vice President I New York

- Previously at a specialist ESG consulting firm providing advice to capital markets clients on sustainable investing strategies, regulatory alignment, and net zero target setting.
- Deep experience advising capital markets clients on ESG data integration and analysis.
- Master of Arts in Law and Diplomacy from the Fletcher School at Tufts University and a Bachelor of Liberal Studies (Honours) from the University of Sydney.



Kritima Lamichhane
Corporate Responsibility
Associate I New York

- Coverage across company responsibility, stewardship and engagement, ESG Investment, and DEI.
- Previous experience working with Social Impact & ESG at a US based insurance provider.
- Dual degree in International Relations & Economics from New York University.
- CFA Certificate in ESG Investing.



Shailesh Parte
ESG & Corporate Responsibility
Asst. Manager I Mumbai

- Experience in driving sustainability initiatives in companies across a variety of sectors.
- Extensive experience in GHG assessment and reduction initiatives, workforce welfare programs, rural/community development projects, and various environmental initiatives.
- Master's degree in Business Administration from Pune University & SCR certification from GARP.



Liv Starr
Corporate Responsibility
Associate I New York

- Previously specialized in cultivating social impact partnerships and advising companies on their corporate responsibility efforts at Global Citizen.
- BA from Washington University in St. Louis, where she studied Anthropology on the Global Health and Environment Track and the Business of Social Impact.

As of 31 December 2024

The Corporate Responsibility Steering Committee

The Board's Governance Committee members serve as advisors to our CEO, Greg Ehret, on strategy, general management, governance, and more. The PineBridge Corporate Responsibility Steering Committee (CRSC) leads and helps drive our efforts across the organisation to define, strengthen, and differentiate our corporate responsibility approach and to ensure its alignment with our mission and values. The CRSC reports to the CEO and oversees the firm's four corporate responsibility pillars – ESG Investment, Stewardship, Company Responsibility, and Diversity, Equity, and Inclusion – as well as other material matters.

Corporate Responsibility Organisation Governance Structure



As of 31 December 2024

The firm maintains four subcommittees corresponding to our four corporate responsibility pillars, with members diversified across business units and geographic regions. Each committee deliberately establishes clear and distinct initiatives that build on the progress from the previous year, allowing the firm to advance our corporate responsibility efforts. The CRSC convenes the committees quarterly to track progress toward each committee's

outlined goals. This allows the firm to regularly evaluate the strength and impact of these goals for the benefit of our employees and culture, as well as our client partnerships.

The structure of the CRSC, as supported by more focused subcommittees, enables us to leverage the broad array of specialist resources at PineBridge while ensuring the necessary level of accountability. Its purpose is to:

- Articulate the firm's guiding principles, policies, and best practices related to corporate responsibility matters.
- Ensure that our broad range of corporate and investment activities align with our purpose.
- Stay informed on ESG trends and regulations, increasing the impact of our efforts and measuring our results.
- Maintain transparency in communicating our activities both internally and externally.

Each subcommittee includes a well-balanced global representation of the firm's cross-functional employees who execute initiatives within their areas of focus, with oversight by the Steering Committee. Our ESG and Stewardship Committees establish the firm's standards, which are then applied by our investment teams at the asset class level.

ESG Investment Committee

The ESG Investment Committee is responsible for establishing the firm's ESG investing policy and best practices, overseeing their application in investment decision-making processes and operations, and driving education and thought leadership initiatives.

The ESG Investment Committee is co-chaired by two investment professionals that average over 24 years of industry experience and 17 years with the firm as of 31 December 2024. Paul Mazzacano (Head of Manager Selection, Global Multi-Asset) and Jonathan Davis (Sustainable Investment Strategist, Emerging Markets Fixed Income) are responsible for promoting firm-wide best practices relating to the ESG investment frameworks adopted by individual asset classes, as well as promoting ESG education throughout the firm. The ESG Investment Committee has a diverse membership, including senior representatives from management, investments, client service, and support teams.

Key initiatives include:

- **Investment Oversight.** Overseeing the implementation of ESG frameworks adopted by each asset class by reviewing documentation and data to facilitate cross asset-class information sharing.
- **Reporting and Transparency.** Preparing PineBridge reporting for the future by identifying risks, opportunities, and methods of reporting on items, such as the firm's carbon footprint and engagement.
- **Industry Developments.** Maintaining up-to-date knowledge of regulatory developments and industry-level activities that may impact the firm's competitive position across regions and asset classes to drive leadership and further firm-wide education regarding ESG.

The Stewardship Committee

The Stewardship Committee is responsible for defining the way PineBridge engages with the companies in which we invest, in the best interests of our clients.

The Stewardship Committee has three co-chairs who are seasoned investment professionals and are representatives of each of the firm's asset classes: Deanne Nezas (Portfolio Manager, Global Multi-Asset), Ronald Harling (Investment Grade Credit Analyst), and Chris Pettine (Senior Research Analyst, Global Focus Equities). They average over 28 years of investment industry experience and 12 years with the firm as of 31 December 2024.

The Stewardship Committee is a cross-asset committee responsible for:

- Defining and providing oversight of the Company's proxy voting strategy and process.
- Providing oversight of engagement processes, including firmwide reporting, cross-asset collaboration, and escalation.
- Providing oversight of region-specific Stewardship Reports.

In order to effectively discharge our fiduciary duty to exercise shareholder voting rights, the Stewardship Committee has engaged a third-party vendor (ISS) to assist us in developing our proxy voting policies and procedures and

custom proxy voting guidelines to align with our assessment of material ESG risks, review peer information, and leverage best practices. ISS then administers proxy voting on our behalf, thereby leveraging operational efficiencies. The policies are reviewed and updated annually by the Stewardship Committee, which consists of members from Investment, Compliance, Legal, Product, and Business Development to ensure it is well aligned with our ESG philosophy, including in key areas, such as board membership/independence, executive remuneration, and climate change policy across all asset classes. For more information, please refer to *Principle 8*.

DEI Committee

The DEI Committee defines and implements firm policies to create a diverse, equitable, and inclusive workforce and global culture. We believe that cultivating a corporate culture with these values top of mind is central to delivering superior service to clients and maintaining our competitiveness in the industry.

People are our strength, and it is our belief that each person brings unique qualities to PineBridge and that each person shares responsibility for helping to ensure an inclusive and equitable culture. In our stewardship and engagement efforts, we aim to ensure companies are embracing equitable and inclusive recruitment, development, and promotion practices that are core to our values.

PineBridge's DEI Committee is co-chaired by Jennifer Motz, Global Head of Human Resources, and Sergio Ramirez, Chief Revenue Officer. Ms. Motz has been with the firm for 17 years and has over 27 years in industry experience. Mr. Ramirez has been with the firm 25 years and has over 30 years' industry experience.

The DEI Committee oversees three workstreams – Hiring and Recruiting, Onboarding and Networking, and Performance Management and Measurement. The committee objectives are to:

- Attract, develop, and advance the most talented individuals regardless of their race, gender, sexual orientation, age, disability, nationality, geographic origin, religion, culture, or any other dimension of diversity.
- Advance processes to integrate diversity in day-to-day internal and external business practices, culture, and operations.
- Engage our community in initiatives to advance opportunities for a diverse range of future workforce participants.

The Company Responsibility Committee

The Company Responsibility Committee aims to drive the firm's social responsibility strategy and company best practices as an employer, corporate citizen, industry player, and community member. The committee's three primary areas of oversight include:

- **Office Environment.** Managing the PineBridge Culture and Fundraise Tracker, which encapsulates office and employee resource group (ERG) activities in support of an inclusive office environment.
- **Policies.** Assessing employee activities with external organisations and maintaining best practices and guidance, along with measurement and oversight.
- **Community Relations.** Partnering with stakeholders across the firm to expand and communicate the PineBridge Pledge and Get on Board programs.

Under the leadership of the CEO and Global Head of Corporate Responsibility, the CRSC initiated several key initiatives during the course of 2024:

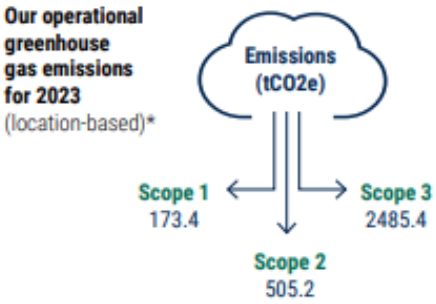
Measuring our corporate carbon footprint

As part of our commitment to sustainability, we partnered with the Greenly Carbon Accounting Platform to conduct a comprehensive assessment of our operational greenhouse gas emissions for 2023. This collaboration has strengthened the accuracy and credibility of our emissions accounting, utilising the GHG Protocol and other industry-recognised methodologies to ensure a robust assessment.

The assessment has enabled us to identify major emissions sources, providing critical insights into our carbon footprint. These findings serve as a foundation for taking the next steps to identify reduction opportunities and strengthen sustainability.

Additionally, the platform has facilitated employee engagement by enabling individuals to assess and understand their own carbon impact. This initiative fosters a culture of climate consciousness within our workforce, further integrating sustainability into our corporate ethos.

By leveraging data-driven insights and best-in-class methodologies, we are strengthening our approach to emissions management, reinforcing our commitment to transparency, and advancing our contribution to global climate action.



As of 31 December 2023

Directly overseeing matters relating to the firm's carbon footprint is PineBridge's Global Head of Corporate Responsibility and the Company Responsibility Committee, which reports to the CRSC. The Company Responsibility Committee outlines the firm's socially responsible initiatives, including community activities, foundation and board memberships, vendor relationships, and environmental footprints.

Low-carbon economy

At a corporate level, the firm provides individual or shared resources to support local-office initiatives. PineBridge continues to demonstrate its commitment to be energy efficient and environmentally friendly through efforts such as:

- a robust recycling program, including education on proper disposal of rubbish and recyclable materials;
- proper disposal and recycling of old computer equipment;
- reduction in bottled water usage in offices with water filtration systems;
- entrusting employees to reduce paper consumption;
- using energy-efficient hardware, lighting, and air conditioning systems;
- reducing emissions and carbon footprints through essential travel only and increased videoconferencing; and
- bicycle storage facilities in certain offices to encourage lower-carbon commuting options.

The firm encourages employees to continue to suggest new or improved processes and technologies in the office and at home that can be beneficial to the planet.

PineBridge Pledge

PineBridge is passionate about engaging with the communities in which we live and work. We aim to partner with organisations that align with our corporate values and the interests of our clients and employees, have a strong track record of community impact, and meet our firm's reputation management and risk mitigation requirements.

In 2023, we launched the #pinebridgepledge, an initiative aimed at encouraging at least 75% of our global workforce to use their Volunteer Day to take action in their local communities. In 2024, the firm continued to strengthen its partnerships with financial literacy organisations globally by hosting meaningful volunteer opportunities.

DEI Initiatives

Alongside the DEI Committee's objectives, the firm frequently engages industry experts to speak to our employees, including portfolio management, about best practices in the industry relating to DEI.

As an organisation that is committed to taking action based on employee feedback, it is critically important to integrate DEI Committee initiatives to the broader Corporate Responsibility philosophy and application practices.

All employees globally are invited to support our DEI initiatives. We have several diversity workstreams in place, each with a leader and a group of employees who focus on implementation. Furthermore, Management Committee, In-Country Leadership, Managing Directors, Senior Vice Presidents and Vice Presidents are assigned a performance management goal focused on culture and team engagement. This goal quantitatively evaluates their support of community service, employee-led resource groups, and employee engagement efforts, demonstration of behaviors focused on culture and team engagement, and how they promote a respectful and inclusive workplace that aligns with the firm's stated values.

Recognition

We are proud to highlight awards and recognitions of our employees and of the firm's DEI initiatives.

100 Women in Finance[5]

- 2023-2024 APAC Industry Diversity, Equity & Inclusion Award (Top 3 Finalist)

Defined Contribution Institutional Investment Association (DCIIA)

PineBridge employees have been recognised by DCIIA for their advocacy and contribution to DEI initiatives:

2023:

- Joy Booker, Head of Client Relations, Americas, received the Leader award.
- Hari Chitnavis, Senior Associate, Private Funds Group, received the Rising Star award.

2024:

- Eriko Hozumi, Deputy General Counsel and Chief Legal Officer, Japan, received the Leader award.
- Ed Jenkins, Corporate Communications Manager, received the Rising Star award.

Hong Kong Institute of HR Management (HKIHRM) [6]

2023 HKIHRM Elite Winner

- Best Workplace
- Learning & Development

2024 HKIHRM Merit Winner

- Talent Acquisition
- Employee Benefits

Inclusive recruitment

With the goal of building and fostering a rich talent pipeline, we craft comprehensive recruitment strategies to find talent with strong qualifications who will add to our culture, make a positive impact, and further the firm's goals. Job descriptions are written in inclusive language, aimed at attracting a broader talent pool. Many positions are offered within our hybrid work model, and when feasible, have the flexibility to recruit talent across multiple PineBridge office locations. We utilise various recruitment channels, such as partnering with external recruiters and posting on a variety of job boards such as:

[5] *100 Women in Finance* awards recognise organisations that are driving forward and shaping the future of women in the finance industry, November 2023. For further details, please visit https://fundraisers.100women.org/award-honorees/ for 2023 and https://100women.org/news/100-women-in-finance-hosted-12th-annual-hong-kong-gala-for-the-benefit-of-the-100wf-hong-kong-foundation/ for 2024.

[6] *Hong Kong Institute of HR Management Awards* recognise organisations and individuals who achieve business success through outstanding people strategies and practices. For further details, please visit: https://www.hkihrm-awards.org/.

- Americas: HBCU Career Center, 100 Women in Finance
- EMEA: Black Women in Asset Management
- Asia: HK Securities and Investment Institute, JIJIS

Global internship program enhancements

Each year, we work to improve the depth and breath of our global internship program. We partner with local organisations to provide rewarding internships to aspiring students interested in a career in financial services. We expanded this program to include externships:

- Camden STEAM (UK), an organisation dedicated to improving diversity in technical industries by inspiring young people and providing internship opportunities to marginalised groups. In 2024, PineBridge hosted a work experience week for 10 students from local schools, providing a comprehensive introduction to opportunities in asset management.
- Opportunity Network (NYC), an organisation dedicated to providing opportunities and access for students from historically underrepresented communities. In Q4 2024, we began planning for the expansion of our partnership. In January 2025, we hosted our first externship program in which Opportunity Network students learned about careers in asset management and gained insights into investing, trading, and marketing and participated in networking activities.

Our employees have been leading and participating in employee resource groups (ERGs) that are empowered to push forward and continue to rally together and partner with industry peers to advocate for and support underrepresented groups. These ERGs are open to all employees and are instrumental in helping advance DEI at the firm and in the wider community. The ERGs include the Black Employee Network, the LGBTQ+ & Allies Network, Women's Network, and GenBridge for emerging professionals, which help to raise awareness on issues relevant to these groups and lead our efforts to address them.

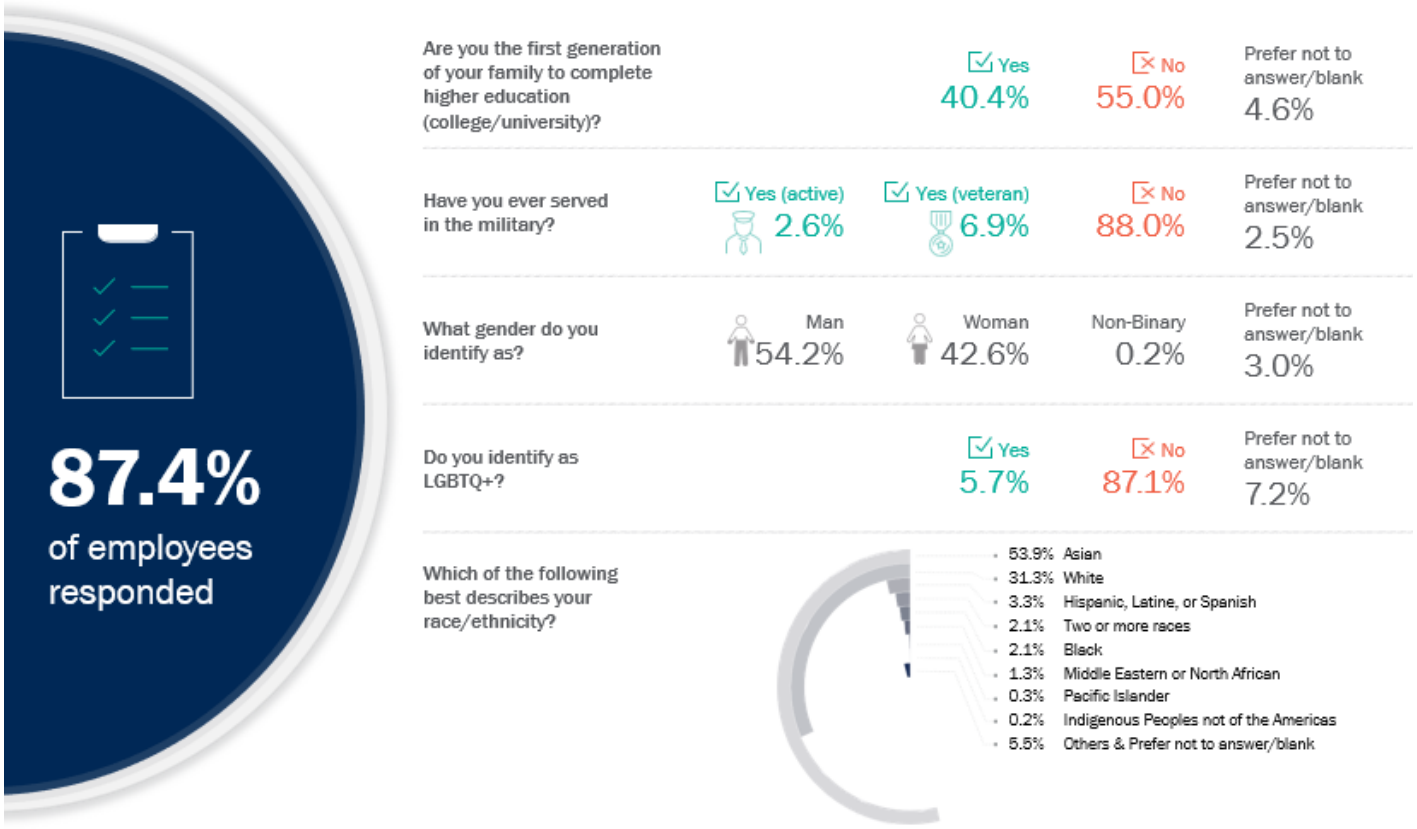


Supporting and retaining talent

We are intentional about supporting and retaining our talent through our practices, policies and programs. We have family-friendly policies, such as paid family leave, enhanced caregiver leave, back-up childcare, and adoption assistance, and an Employee Assistance Program. Furthermore, we provide additional flexibility and support work/life balance through our hybrid work model and flexible work arrangement program. Some of these strategies include:

- Global Learning Platform: all employees have access to our global learning platform that is available 24/7. These opportunities are posted on our Human Resources website, firmwide communications and highlighted at Employee Resource Group meetings.
  - Virtual learning such as: advanced excel, storytelling for business, and delivering powerful presentations
  - Digital learning: LinkedIn Learning, Fitch Learning, Rosetta Stone Language Development
  - Customised: executive coaching, personality assessments, tuition reimbursement, professional certifications, designations, etc.
- Managing@PineBridge Program: designed for managers and team leaders who are new to the role, will assume the role in the future, or those that want to deepen their management skills.
- Leadership Development Program: cohort of emerging leaders are nominated to participate in a four-month comprehensive program to expand their management and leadership skillsets. Nominations are reviewed by senior leadership, the Head of HR and the Head of Employee Development and Engagement. The program blends individualised development and peer-to-peer learning through roundtables facilitated by internal and external thought leaders.
- Mentor and Reverse Mentor Program: customised development opportunity in which mentors and mentees create individual learning goals. They can participate in virtual workshops and have access to resources, such as personality assessments and toolkits.

Employee Voluntary Survey Statistics



Source: PineBridge Investments. Results from 2024 voluntary survey of employees; includes 627 respondents representing 87.4% of 717 launched as of 31 October 2024.

Human Rights

As a signatory of the UN Global Compact, we recognise that ensuring human rights and dignity is essential to sustainable development. We believe that a safe, diverse, strong, and inclusive workforce is central to driving better business outcomes and fostering growth. Our obligation to our clients is to address the risk of (potential) gross human rights abuses or corporate negligence by companies or entities which we invest in or may invest in, as well as ensuring that PineBridge is aligned with applicable laws and UN conventions.

Under the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018, both PineBridge Investments Europe Limited (PBIEL) and PineBridge Investments LLC (PBILLC) are required to produce annual modern slavery statements focused on risks of modern slavery in their operations and supply chains and measures being implemented to address them. In addition, the Australian Act goes further and requires the approach to integrating modern slavery risks in the investment process to form part of modern slavery reporting.

To address and mitigate risks of modern slavery in its corporate operations and supply chains, PBIEL and PBILLC updated their vendor management policies, enhanced due diligence on material vendors and their supply chains, and established minimum standards for suppliers on modern slavery.

As a component within broader ESG considerations, attention to modern slavery continues to be a focus and a part of the firm's risk management procedures. While we believe the risk of modern slavery or human trafficking within our operations or supply chain is low, we maintain ongoing due diligence and rigorous oversight of our third-party outsourced functions and internal processes. Our investment teams continue to focus on forced labour and human rights concerns in investee companies using internal and external ESG data, as well as a proprietary heatmap to assess modern slavery risks in the operations of investee companies and their supply chains. Our engagement activity uncovers risks present in industries beyond traditional manufacturing and garment retailers, such as trucking, travel, and renewable energy. For example, refer to *Principle 9* for an engagement with a leading independent clean energy developer and operator regarding the mitigation of human rights issues, particularly in the solar industry.

Enhancing and improving resources devoted to ESG and stewardship

PineBridge's Kate Faraday, Global Head of Corporate Responsibility, oversees the firm's corporate responsibility strategy and execution of key initiatives to incorporate ESG principles into PineBridge's investment process, stewardship, and corporate practices.

We continue to focus on adding the right resources, technology, and personnel to support the firm's corporate responsibility and sustainability initiatives. The additional resources have specific uses across the ESG landscape and include a team that has assessed technology solutions, ESG investing regulatory changes, and ways the firm can continue to advance to meet client needs alongside ESG-related regulatory requirements.

Kate Faraday and the Corporate Responsibility Team work closely with the firm's CRSC and its four subcommittees to ensure alignment, collaboration, and sharing of best practices. The makeup of these committees continues to grow stronger, melding skillsets from our investment teams, compliance, legal, and operations in addition to our senior leadership team.

The Corporate Responsibility Team has expertise in ESG data research and analysis, an understanding of the corporate responsibility competitive landscape, and coordinate and partner with our investment teams, as well as all stakeholders within PineBridge, together with our global client base. We will look to continue to educate and provide additional support and experience in corporate responsibility, sustainability, and policy expertise in the year ahead.

With the expansion of our subscription to MSCI ONE in 2022, investment teams, compliance, and operations professionals utilise the interactive platform to extract and analyse data, ratings, and ESG reports for all covered companies. Data analysis can be customised on an ESG dashboard by our portfolio managers and research analysts for company due diligence, and for an ESG-specific database that combines the MSCI ESG data with PineBridge investment teams' own proprietary ESG scores and engagement data, among other things, for internal

and external reporting. The electronic ingesting of ESG data into customised ESG functionalities is an ongoing project, evidenced in this big enhancement and investment by the firm.

In addition, the MSCI ESG data is available via FactSet and Bloomberg. For our Equities teams, the data flows directly into proprietary portfolio weekly packs that contain a large amount of portfolio information, including ESG rating changes, contribution of key environmental and social metrics from individual holdings to the overall portfolio, and performance attribution.

Enhancing our proprietary internal research, analysis, and systems

Grounded in the belief that stewardship is a vital aspect of managing assets on our clients' behalf, and that it is an important component of effective ESG incorporation that benefits both PineBridge's clients and the companies or entities in which we invest, we continue to expand our ESG engagement capabilities to complement engagement on other material factors. Investment teams continue to refine their processes based on geographies, investment strategies, industries, and company-specific challenges and opportunities. We have also continued to refine our responsible investment practices and policies to remain the best stewards of our clients' capital.

Through collaborative efforts across the firm's investment teams, corporate responsibility teams and subcommittees, we've enhanced our capabilities to better reflect what engagement means to us, how we plan to approach engagement, and, subsequently, how we can better track and collaborate on engagements across the firm.

In 2024, PineBridge continued to improve our proprietary cross-asset-class engagement tool. This resource captures engagement data on sustainability themes from each asset class's proprietary database and centralizes the data in a portal, allowing us to filter through engagements categorised by our prioritised themes to garner insights by commercial initiative, asset class, country/locality, sector, industry, or analyst. The ability to identify names held across asset classes and collaborate among our teams to engage with those companies to improve risk management practices further helps us create value for our clients.

The tool helps our investment teams to strengthen both their investment theses and their ESG analysis processes while providing a wide lens to compare standardised metrics to enable impactful engagements. Across the firm, we identify engagement opportunities based on the most material and salient ESG issues. We prioritise engagement based on the scale of our holdings of the underlying securities, the materiality or salience of the ESG concerns, and our exposure to those concerns. We aim to truly understand the material ESG factor and the company's practices to engage in meaningful dialogue to improve practices. Given that we approach engagement with the goal of opening an ongoing dialogue, this tool enables the firm to track engagements across teams and an issuer's progress over time.

Through our annual ESG forum, as well as other external conferences, we are committed to keeping abreast of developing sustainability standards, research, and initiatives. Our continued efforts to improve our engagement practices demonstrate our ongoing commitment to actively managing risks and taking advantage of opportunities across our portfolios, enabling us to promote better business practices, and in turn, better financial returns.

Equity Platform for Investment Communication (EPIC) is the research hub for PineBridge Global Equities. It includes our proprietary Equity Risk Assessment (ERA) framework of 68 data points on each company that fully incorporates ESG.

Credit Analysis Platform (CAP) is the proprietary firm-wide global credit analysis, research, and recommendation-sharing platform for Fixed Income professionals. This web-based investment platform is our Fixed Income team's central research hub and contains all analyst inputs.

Multi-Asset ESG Portal (MAP) is the proprietary firm-wide database and portal for Multi-Asset investment professionals containing asset-class-level ESG research and outcomes, published reports, engagement activity, and documentation. It also houses all proprietary ESG tools, investment team policies, regulatory reports, ESG process flows and procedure manual, and relevant ESG training materials.

External research, analysis, and systems

- **MSCI ESG Research** – All investment teams and Operations and Compliance departments have full access to ESG research, which includes ESG ratings and ESG controversies as a reference to our ESG scores and engagement. In addition, the data is available to populate a customised company ESG dashboard for use by our portfolio managers and research analysts for company due diligence, and for an ESG-specific database that combines the MSCI ESG data with our own proprietary ESG scores and engagement data, among other things, for internal and external reporting. The electronic ingesting of ESG data into customised ESG functionalities is an ongoing project whose components are in various stages of completion.
- **Bloomberg** – Bloomberg offers users access to a wide range of ESG-related raw data that supports our analysts' ability to model ESG risk across their coverage. ESG data includes both externally and Bloomberg-derived ESG scoring, ESG data points provided by third-party ESG specialists, and ESG ratios for comparison within industries, countries, and regions. More broadly used by our Equity teams, the Bloomberg ESG Disclosure Score is Bloomberg's proprietary rating system of a company's "disclosure of quantitative and policy related ESG data. Bloomberg provides data on more than 120 indicators for over 10,000 publicly listed companies globally." Their rankings are also on a percentage basis, with 100% being the best. The closer a company's score is to 100%, the greater the quantity of publicly available ESG information. It is not an assessment of a company's ESG factors. It simply reflects the amount of information available to investors to make educated ESG investment decisions and can be used in tandem with third-party data providers' ESG scores.
- **RepRisk** – We have engaged Swiss reputational risk data provider RepRisk to safeguard against near-term technical risks introduced by financially material headlines that may affect underlying portfolio holdings. Automated alerts are generated by the RepRisk platform daily in the instance of medium to severe criticism of corporate behaviours affecting our portfolios and investible universe.
- **Morningstar Sustainalytics** – An industry leader in independent ESG and corporate government research, ratings and analytics, it offers data on 40,000 companies worldwide and ratings on 20,000 companies and over 170 countries.
- **Institutional Shareholder Services (ISS)** – Its scores are a by-product of ISS's proxy services and address the social and governance components of ESG. ISS analysis covers 7,000 issuers and is based on four pillars: board independence, shareholder rights, executive pay, and audit score. ISS Quality Scores are on a 1 to 10 basis, with 10 the highest risk. ISS information is available to all Bloomberg subscribers.
  1. **Climate Module:** automatically flags upcoming votes on companies that are climate laggards and not aligned with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations or have climate-related shareholder proposals.
  2. **Social and Governance Components** on over 7,000 issuers based on four pillars: 1) Board Independence, 2) Shareholder Rights, 3) Executive Pay, and 4) Audit Score.
- **Broker Research:** We access specialist broker research, both written and via live discussions, to identify and assess ESG issues at the asset class level. Broker insight is used to gain greater understanding of companies in preparation for engagement on TCFD-related issues.
- **Moody's/S&P ESG Research** – Includes data and insights across ESG and climate risks. Provides comprehensive coverage across global markets combined with in-depth sustainability intelligence. It provides financial institutions, corporations, and governments with expansive insight on business risk, opportunity, and impact as we work towards a sustainable future.
- **Sustainability Accounting Standards Board (SASB)** – This is an independent standards board that provides sustainability standards for publicly listed corporations in the US to use in disclosing material sustainability information in SEC filings. SASB's disclosure guidance identifies 26 sustainability-related business issues (each a "General Issue Category," or "GIC") that encompass a range of disclosure topics at an industry level. The SASB considers these identified GICs reasonably likely to have a material effect on the financial condition or operating performance of public companies within the industry. Some industries have more sustainability risks and opportunities that can affect enterprise value, and some have fewer. The variation in industry-level sustainability risks is a core element in our assessment of ESG risks. SASB Standards are broken down into 11 broad sectors covering 68 industries defined by SASB. For more information on SASB, please refer to www.sasb.org.

Our commitment to ESG training, oversight, and performance management

As active, high-conviction investors, we ensure that PineBridge employees are well-resourced and incentivised to integrate ESG into their day-to-day thinking and decision-making by:

1) Providing relevant training on ESG investing, and
2) Including ESG and DEI into standard employee performance evaluations.

While we believe involvement by our investment professionals is central to truly integrating forward views, we nonetheless have also strengthened our expertise by hiring additional personnel with strong ESG backgrounds and appointing sustainable investment specialists within our investment teams. These individuals are engaged in implementing various ESG regulations, such as the EU's Sustainability Finance Disclosure Regulation (SFDR) in our investment processes across all asset classes, as well as in global initiatives.

Training, communication, and knowledge enhancement

In 2024, PineBridge held its fourth annual ESG Investment Forum, fulfilling the ESG Investment Committee's goal of driving firmwide education and thought leadership. Last year's forum emphasised progress in engagement across our investment strategies, along with sessions devoted to environmental policy and sustainable investment developments.

The 2024 forum took a closer look at key topics across ESG, including insights from industry experts from Bank of America Merrill Lynch and the Environmental Defense Fund, along with insights from PineBridge investment teams. The forum is hosted by the ESG Investment Committee, and all sessions were open to all members of the firm.
Also in 2024, the firm's Corporate Responsibility Team introduced the PineBridge Corporate Responsibility Educational Series, a set of all-employee webinars dedicated to exploring global sustainability themes, measuring our firm's progress in connection with our corporate responsibility goals, and continuing our commitment to keep employees apprised on our efforts.

One session featured special guest James West from Evercore ISI discussing thematic "Complex Challenges in Tech and Clean Energy". Another session covered the global regulatory landscape, and "How PineBridge Threads the Needle" in a complex regulatory landscape.

The firm also continues to conduct annual training courses on:

- Preventing workplace harassment and discrimination and harassment (also required for new hires)
- Unconscious bias
- Workplace diversity, equity, and inclusion
- Modern slavery in supply chains

Incentives and measurement

1. ESG integration

As a firm, we are committed to assessing our investment professionals' commitment to integrating ESG considerations in alignment with their team's investment philosophy and process.

Each year we assess our employees' performance as part of their formal year-end review, which measures their individual results against goals and our firm's values, including collaboration, client focus, and commitment to excellence.

ESG is an integral part of due diligence in our investment process, and all our investment professionals are reviewed with scores corresponding to levels of attainment against goals. The largest weighting in the scoring system across our asset classes is for investment performance. However, given our sophisticated clients, it's imperative that we deliver the right performance the right way. The latter includes adherence to our investment philosophy and our investment process, which incorporates ESG considerations. In addition, within the "firm values" section of our annual appraisal, we rate our investment professionals' commitment to ESG.

We are committed to progressively improving our evaluation and measurement processes to drive progress across all ESG dimensions as part of our ultimate goal of providing results that help our clients meet their investment objectives.

2. DEI

As part of our annual performance review process, employees are evaluated using a value-based system that ranks each individual's performance on the following goals:

- Supports the cultivation of a diverse and inclusive work environment in all that we do.
- Operates with self-awareness, recognising how culture impacts work behaviours.
- Recognises and respects individual differences and incorporates diverse perspectives into decision-making; respectful of ideas different than own.
- Adapts own behaviours to work effectively with colleagues and clients across different locations around the world.
- Actively seeks to attract, retain, and develop diverse talent when hiring, building project teams, and identifying candidates for opportunities within the company.
- Role model behaviour: Acts as a culture carrier for a diverse and inclusive workplace. Proactively ensures a diverse slate is considered for all hiring and promotional opportunities at all levels of the organisation.
- Additionally, managers are evaluated on their ability to attract, retain, and develop diverse talent and incorporate inclusive behaviours as a core part of their leadership at the firm.

Outcomes

Being a PRI signatory since 2015 shows our commitment to ESG and advancing our responsible investment efforts and continuing to improve on our scoring across asset classes. This is reinforced by our CRSC, ESG training, and annual assessment of all investment staff on these issues as part of their year-end compensation review. We believe our clients and prospects also recognise this. We attribute some of our above-average organic growth in assets under management to our demonstrated dedication to stewardship and active engagement with companies in which we invest.

Key Milestones for PineBridge



As of 31 December 2024. For illustrative purposes only. [1]For the 2024 "Best Places to Work in Money Management" list, Pensions & Investments partnered with Workforce Resource Group, a research firm specialising in identifying great places to work, to conduct a two-part survey process for employers and their employees. For details on eligibility criteria and the survey's methodology, visit https://www.pibestplacestowork.com/how-it-works/method. Citywire Gender Diversity Awards recognise progress by fund management groups on the representation of women and gender diversity practices, December 2020. For further details, please visit https://www.citywire.co.uk/wealth-manager/news/gender-diversity-awardsfund-group-winners revealed/a1437029?ref=author/mkirakosian. [2]Source: Wind, as of 30 September 2024. Third-party rankings and recognition are no guarantee of future investment success. Ratings should not be construed as an endorsement of the advisor by any client nor are they representative of any one client's evaluation. PineBridge did not pay compensation directly or indirectly to be considered for these awards, to obtain the awards, or to use the awards. M-683520-2025-02-05

Principle 3: Conflicts of interest

As a fiduciary, PineBridge is responsible for putting its clients' interests before its own. Correspondingly, as a good steward of our clients' assets, the firm's risk and compliance program, governance structure, and associated controls are oriented towards identifying conflicts of interest between the firm (including individuals within the firm) and the interests of our clients. Through these programs, PineBridge seeks to manage, eliminate, or mitigate any such conflicts, as well as disclose them as appropriate.

Conflicts of interest may occur in all aspects of the firm's business. Typical areas of concern include the firm's approach to distribution, investments on behalf of clients, and personal conflicts associated with our employees. As a fiduciary, PineBridge needs to consider all conflicts associated with running the business that may potentially interfere with the best interests of our clients.

This includes considering our approach to distribution and to advertising our capabilities. The firm has controls in place, including workflows and governance measures, to ensure we are creating and using marketing materials that fairly represent the firm's capabilities and do not mislead potential clients or risk putting our own interests before our clients. Controls include appropriate policies and procedures and corresponding processes that establish and enforce a standard within the firm. Governance includes management reporting and review of mediums for distribution and oversight of the distribution process.

As a fiduciary and a good steward, we believe it is critical to understand inherent potential conflicts related to our providing advice to clients and all other aspects of managing our clients' money, and to have processes in place to address them based on established policies and procedures. These must include standards for selecting counterparties that work with us to execute trades on our clients' behalf, along with tools to evaluate the quality of a counterparty's performance, ensuring we are providing quality execution for our clients and that no firm-level or personal conflicts of interest are interfering with our selection. Additional standards are in place because of our programs, along with governance to oversee the firm's approach to paying for research and applying it equitably to applicable client accounts. Investment procedures include standards to ensure fair allocation and aggregation of investment opportunities to like client portfolios, ensuring all clients are treated fairly. Additional tools to prevent conflicts within the firm's investment focus include controls for managing the possession of material non-public information and protecting clients and the market from abuse of this information, utilising information barriers, restricted lists, and watch lists.

Personal conflicts associated with employees must be understood, managed, and potentially disclosed as part of the firm's obligation to satisfy its fiduciary duty. Our required Personal Trading Code of Ethics Policy[7] establishes standards and infrastructure to this end. Pre-clearing of personal trades by employees and leveraging trading blotter blackout periods help ensure client trades are not front run by firm employees. Gift and entertainment policies manage the potential conflicts associated with relationships with counterparties and vendors. Identifying roles held by employees outside of their roles at PineBridge ("outside business activities") and our associated controls including prior approval and disclosure attempt to manage potential conflicts of interest related to these.

Another aspect of the firm's commitment to avoiding conflicts of interest is to establish and maintain an effective monitoring and testing program designed to detect any conflicts, control weaknesses, or areas that may not be in the best interest of our clients. Testing and monitoring include investment monitoring to ensure client guidelines are followed and account reviews designed to ensure that the monitoring rules are fit for purpose. For example, compliance review of marketing materials seeks to ensure that clients are protected from unfair or misleading representations. Required disclosure of personal conflicts helps ensure that the firm's employees are putting their clients' interests before their own.

An additional element of the firm's program is to ensure continuous training of employees to maintain sensitivity to the firm's fiduciary role, reinforce existing policies and procedures, and adapt to changing circumstances associated with new client demands, new services offered, and the continuously changing global regulatory environment. Training is conducted annually in several different subject areas, including the issues associated with

[7] Please refer to Item 11 of the following: Form ADV Part 2A for PineBridge Investments LLC at https://adviserinfo.sec.gov/firm/summary/105926

potential personal conflicts of interest. In 2024, one such training took the form of interactive in-person sessions for all PineBridge employees and covered how to safely navigate social media when communicating about PineBridge business activities.

Additionally, more tailored training is conducted to support awareness of new or changing policies or other developments within applicable regulatory environments.

Strong governance is one of the most important means to ensure that the Senior Executive team is aware of potential conflicts of interest and that these issues are appropriately managed to maintain fiduciary standards. The firm's Risk Committee and subcommittees overseeing the payment of research and trading, a Management Committee, and a Board-appointed Governance Committee reporting to the firm's Board of Directors are all part of reinforcing the standards articulated above. Governance not only involves overseeing the process but includes different perspectives drawn from various disciplines that contribute to identifying issues and solving problems.

Following regulatory requirements, leveraging peer network relationships and trade association memberships, developing corresponding best practices, and deploying effective governance all help PineBridge understand the potential conflicts of interest associated with its fiduciary obligation. The processes and controls the firm has put in place represent appropriate best practices to help manage these conflicts.

We continually seek to improve our methods, policies, and techniques in this area. However, it is in the nature of conflicts of interest and their historical basis that the analysis of conflicts is relatively stable. For this reason, our Conflicts of Interest Policy tends to remain consistent year on year, and our well-established practices as outlined in this principle remain broadly the same as they were in the preceding year.

Addressing conflicts of interest

During 2024, PineBridge identified and managed several instances of actual and potential stewardship conflicts of interest. Here are some examples focusing on investment allocation and corporate governance.

Conflicts of interest examples

Situation: An employee was invited to act as a board member for a higher education university.

Identification and mitigation: Per the Global Code of Ethics, an employee is required to promptly disclose and receive approval if the employee wants to engage in a business outside of the firm. The requirement is in place to identify and mitigate any potential conflicts of interest that could arise if the firm's trading activities involve investing in a company that an employee may also have an outside role with.

Outcome: The employee submitted an outside business activity disclosure to the Compliance department to seek approval to engage in the activity outside the firm. The employee's manager reviewed and approved the outside activity disclosure followed by a second approval by the Compliance department.

Situation: PineBridge acknowledges that conflicts may arise with respect to managed client accounts holding the debt of the same issuer, of different seniority access in that issuer's capital structure, which may put those client accounts holding subordinated issuer debt at a disadvantage to those client accounts with senior / secured issuer debt if a restructuring or other corporate event were to take place.

Identification and mitigation: PineBridge utilises the PineBridge Global Alternatives Conflict Committee (the "Committee") and its Global Conflicts Policy materials aiming to govern the appropriate approach to identifying, escalating, reviewing, and documenting any potential conflicts related to investment conflicts arising from issuer capital structure concerns. The PineBridge Legal team supporting the applicable investment / deal team escalates the potential subordination / restructuring conflict to Compliance (through the Committee) and discusses various mitigations to ensure fair and equitable treatment of applicable client accounts. Additionally, Compliance works to proactively monitor holdings across global client accounts within the same issuer to identify potential future instances for conflict review.

Outcome: Given the ad hoc nature of potential issuer restructurings or other corporate events which may create instances where senior/subordinated debt holdings may have different outcomes, Legal and Compliance work together through the Committee, striving for a consistent approach to govern future instances.

Situation: From time to time, PineBridge may cross trades between two or more of its client portfolios. With respect to cross trades, PineBridge acknowledges that conflicts may arise across investment opportunities.

Identification and mitigation: PineBridge policies aim to mitigate and govern the consistency when engaging in a cross trade. A cross transaction may be executed as a "brokered cross," where PineBridge would place simultaneous purchase and sale orders for the same security with an independent broker-dealer, and an "internal cross," where PineBridge would arrange a trade between two or more of its clients as a custodian-to-custodian transfer without intermediation by a broker-dealer.

Outcome: PineBridge documents cross trades thoroughly and ensures that all transactions must be pre-approved by the client and the Compliance department, ensuring transparency and avoiding any preferential treatment of one client over another.

Principle 4: Promoting well-functioning markets

As responsible stewards of our clients' investments, the orderly functioning of markets is key as we seek to deliver returns and solutions to our investors. For this reason, we actively seek to address systemic risks as a market participant, both directly in our investors' portfolios and through our own practices as stewards of our clients' assets.

As active investors, our investment professionals are quick to recognise systemic issues that appear in markets from time-to-time. These can take many forms and can be bracketed into two main groups: a) when markets become illiquid due to, for example, a change in risk appetite as a consequence of changing micro, macro, or regulatory conditions, or in response to regulatory changes that affect the profitability of participation by market makers and investors; and b) when a market suffers from poor transparency that may affect price discovery for trading individual securities.

Our investment staff operate in a wide range of markets every day and trade through several dealing desks around the world, primarily in New York, London, and Hong Kong. When a systemic issue such as a change in market liquidity or transparency develops, our dedicated dealing personnel, who are in continuous contact with their counterparts in the broker-dealer firms, are quick to notify the relevant portfolio managers and analysts in the investment teams using electronic or voice channels. Our investment staff would then analyse the development and seek out the right course of action, if any, always acting in the best interest of our clients. Depending on the situation, PineBridge will endeavour to work with other market participants to ameliorate the systemic issue. If it is deemed to be insolvable in a reasonable timeframe or is beyond the scope of the firm, our investment teams typically address the systemic issue as an unwanted risk in the portfolio and would seek to reduce that risk in an orderly fashion to safeguard our clients' interests.

We believe staying connected is one of the most important enablers of recognising systemic issues, wherever they occur in the world. While PineBridge is a mid-sized firm, we have the breadth and geographic reach usually associated with the very largest in the asset management industry. Yet, our size is a key strategic advantage, enabling our global investment teams and global support teams to connect quickly when signs of stress emerge.

European Defence Budget increases – North Atlantic Treaty Organisation (NATO) countries

During 2024, in the run-up to the NATO summit scheduled for June 2025 in The Hague, member states were negotiating a proposal that would commit all allies to raise defence budgets to 5.0% of GDP by 2035, with 3.5% earmarked for core military needs and 1.5% for security-related infrastructure. At the same time, the EU redirected funds and temporarily eased fiscal rules to finance joint defence and industrial projects, while advancing its Readiness 2030 programme designed to mobilise EUR 800bn via loans, which was launched in March 2025.

Reflecting the increased governmental appetite for this kind of investment, defence-driven equities climbed steadily. On the other hand, inflationary and fiscal pressures, security imperatives and disciplined financing will need to be considered by the market as a whole, from a systemic perspective. In addition, some regulatory and ESG-related questions, such as the impact on funds classified as SFDR Article 8 and Article 9, will need to be assessed in a broader context, as potential exclusionary rules could impact certain securities.

Example: A utility company was under scrutiny due to potential output being used for military purposes following some changes in their operations. Although the company did not fall under Article 8 restrictions, initially when they revealed their newly planned activities some spread widening on their bonds reflected concerns with exclusionary policies by funds that opted for a conservative approach by selling ahead instead of taking time for a more comprehensive assessment. At PineBridge, the Investment Grade Credit Team engaged with company management and followed closely their press release, as well as market reaction, and made an informed assessment that the market reaction would not be supported by the Article 8 filter. Ultimately spreads returned back to original levels.

Addressing climate-related risks

As an investor entrusted by certain clients to manage climate-related risks and opportunities, we engage on their behalf with our portfolio holdings to take responsible and economic actions to support climate mitigation efforts and the whole-of-economy transition. PineBridge is committed to furthering its stewardship and engagement

practices to drive progress toward climate change mitigation and adaptation practices. We aim to pursue meaningful progress on climate-related issues through our own independent strategies, ensuring that our approach remains aligned with our investment philosophy and fiduciary responsibilities.

In our ongoing strategic vision to deliver medium- to long-term value to clients, we recognise the importance of identifying, understanding, and managing climate-related risks and opportunities that impact our business. Given the interrelationship between climate risk factors and the strategic, financial, and general risk expectations for a company, we fully integrate these factors into relevant investment strategies and consider those same risk factors across all our portfolios. Each of our asset classes operates in its own segment of the capital markets and capital structure and therefore is necessarily responsible for its own investment process. We remain dedicated to integrating climate considerations into our investment approach where they align with client objectives and long-term value creation. Our focus will continue to be on data-driven insights, risk management, and engaging with companies to encourage responsible business practices.

Across all our asset classes, we use proprietary tools and independent data. For example, with materiality-focused approaches, we assess and appropriately weigh climate-related issues for our investments, going in-depth on our due diligence as part of our investment process in order to anticipate, and correctly value, the potential change in the business over time. Ultimately, as fiduciaries of our clients' assets, our approach seeks to generate meaningful results for our clients – in the mutually dependent promotion of higher environmental and social standards and strong investment results – over a medium- to long-term time horizon. We also understand the long term is made up of a number of short terms, and therefore we seek and acknowledge continuous improvement over a range of timeframes.

We address environmental issues (such as resource scarcity and climate change), social challenges (including poverty and human and labour rights abuses), and other sustainability-related issues in monthly investment committee meetings, including the economic implications and impact on growth and profitability across markets.

As a longstanding advocate for transparency in climate disclosures (see below under “Contributing to industry initiatives”), we believe our efforts for meaningful climate disclosure will help prevent stranded assets, thereby contributing to efforts to avoid the market dislocations if such progress were not occurring.

Working with stakeholders to improve the functioning of financial markets

As a mid-sized asset manager, PineBridge is able to act as a “practitioner participant” to promote the functioning of markets, a model in which portfolio managers, team leaders, and those who are actively involved in the day-to-day issues of managing client assets engage with industry bodies and other industry participants. This means we bring a true “front line” perspective to the feedback and experiences we share. Here are several examples of different ways we have helped to promote the functioning of financial markets.

Innovation example: Launch of the Global Multi-Asset Alpha Strategy in fund-of-one and UCITS formats

PineBridge Global Multi-Asset Alpha Strategy offers liquid access to a hedge fund-like strategy, backed by the transparency and stability of a Multi-Asset investment leader. This strategy is designed to generate positive returns irrespective of market conditions. By design, it is uncorrelated not only to stocks and bonds, but also to traditional hedge funds, offering enhanced diversification and independence from crowded trades that often falter under stress. Its collection of carefully structured and hedged positions makes it a compelling solution for investors seeking differentiated exposure in a liquid format.

We believe a strategy can only be truly “all-market” if investors have “all-access”— with no barriers to entry or exit and maximum liquidity. Unlike many hedge funds, which may suffer from lockups and limited transparency, these fund structures provide daily liquidity and full visibility into positioning.

Through offering this innovative Multi-Asset strategy via these fund structures, PineBridge has sought to make the strategy available to a broad base of investor regions and channels, spanning the Americas, Europe and Asia.

Innovation example: Launch of the Global Focus Equity Strategy as an Australian domiciled unit trust

PineBridge Global Focus Equity Strategy is a non-consensus, high-conviction fundamental active Equity strategy that uses two proprietary alpha tools for identifying mispricing opportunities in high-quality companies to construct a portfolio with more consistent and diversified excess returns. The Strategy seeks to generate all its alpha from stock-specific sources in this manner, strenuously avoiding sector, investment style or other top-down macro bets. The result is a differentiated 30-50-stock portfolio paradoxically high in active share and low in benchmark-relative risk with a beta ~1.

The Strategy's objective is to achieve growth at a reasonable price (meaning securities that have a growth potential and are reasonably priced as determined by conventional measures, such as priced earnings or by comparison to other securities in the same market and the same industry) by making Equity and Equity-related investments in global markets with a focus on superior and sustainable earnings performance.

To make this top performing strategy available in Australia, on 30 September 2024, PineBridge launched the PineBridge (AU) Global Focus Equity Fund, an Australian domiciled unit trust. Through its local domicile, the fund can provide all necessary tax reporting required by Australian investors, and to allow for broad access across both Australian institutional and intermediary channels, the fund was established as a registered managed investment scheme with the Australian Securities and Investments Commission.

Counterparty relationships

Good market structure begins with the smooth exchange of assets, aided by effective price discovery and execution. Our investment teams have a strong relationship with their trading counterparties and engage with them regularly to review and discuss trade volume league tables, bid/offer spreads, trade success statistics, and investment research quality. Our Fixed Income teams have monthly broker data reviews that allow us to pool our collective feedback to pass on to the various counterparties.

This work to deepen relationships with counterparties and improve execution for our clients extends to efforts to make the counterparty ecosystem itself more diverse and competitive. PineBridge maintains a trading budget each year specifically allocated to minority-, women-, and disabled-owned brokers, underscoring our commitment to aligning our beliefs with our investment practice. We maintain a document listing our minority- and women-owned vendors and actively seek more opportunities to work with both brokers and vendors from non-traditional backgrounds.

HKSE Listing Committee

We were proud to see our Head of Asia ex Japan Equities join the Hong Kong Stock Exchange Listing Committee in 2019, which oversees and governs listings onto the HKSE, providing policy advice and approvals for significant changes to existing listings and applications for new listings. This appointment is a testament to the individual's proven skills as a portfolio manager, as an experienced local market participant, and as an investment expert across Asian Equity markets.

Regulatory policy consultations

We also participated in regulatory policy consultations with entities such as the Monetary Authority of Singapore (MAS) Guidelines on Environmental Risk Management, as well as panels and events focused on green bonds and sustainable finance. We engage extensively with global regulators and industry bodies in the US, the UK, Ireland, Luxembourg, Germany, Malaysia, Singapore, Hong Kong, and Japan.

Sustainable investing initiatives

PineBridge believes in the value of industry partnerships and remains committed to advancing industrywide education and action related to a healthy market structure and ESG frameworks.

PineBridge is active in a number of industry organisations and is a signatory of several codes that aim to support the growth of sustainable investing, including the Institutional Investors Group on Climate Change (IIGCC), the Principles for Responsible Investment (PRI); the UK, Taiwan, and Japanese Stewardship Codes; the UK Local Government Pension Scheme Code and the United Nations Global Compact (UNGC).

Addressing Modern Slavery

Modern slavery risks are considered in the firm's risk management procedures. Whist, we believe there is a low risk of modern slavery or human trafficking within our operations or supply chain, ongoing due diligence and rigorous oversight of third-party outsourced functions and internal processes are maintained.

Under the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018, both PineBridge Investments Europe Limited (PBIEL) and PineBridge Investments LLC (PBILLC) are required to produce annual modern slavery statements, with the focus on risks of modern slavery in their operations and supply chains and measures being implemented to address them. In addition, the Australian Act goes further and requires information regarding how modern slavery risk is integrated in the investment process.

Thought leadership and active information exchange

Across our global investment teams, we conduct extensive analysis and produce a wealth of proprietary research and analysis. This research covers a broad spectrum of topics, including market trends, industry dynamics, regional and global macroeconomic factors, and emerging investment themes. We take pride in the depth and breadth of our research capabilities, which enable us to deliver unique perspectives and actionable insights to our clients.

We actively share this research with clients, ensuring they have access to the same information and analysis that our investment teams rely on. This transparency allows clients to better understand the investment decisions we make on their behalf and the underlying fundamental beliefs that guide our strategies. By providing clients with the rationale and context behind our investment decisions, we aim to facilitate informed discussions and align our investment strategies with their specific goals and risk profiles.

Moreover, our commitment to thought leadership extends beyond research reports. We welcome the opportunity to engage in dialogue and collaborate with clients on a deeper level. This includes organising regular meetings, calls, and roundtable discussions where clients can interact directly with our investment teams and leaders. These engagements provide a platform for clients to explore market insights, discuss investment strategies, and gain a deeper understanding of our latest views. We value the feedback and perspectives of our clients because they enrich our collective understanding and enhance the investment decision-making process.

Finally, we seek to contribute to the conversation about these industry issues by publishing and presenting our own thought leadership via internal and external channels. We regularly publish our insights across asset classes on our website at PineBridge Insights. From an internal perspective, PineBridge works to foster collaboration and employee engagement, hosting nearly 100 events and initiatives, including volunteering, fundraising, and social events.

More information about our industry involvement can be referenced in *Principle 10:* Collaboration.

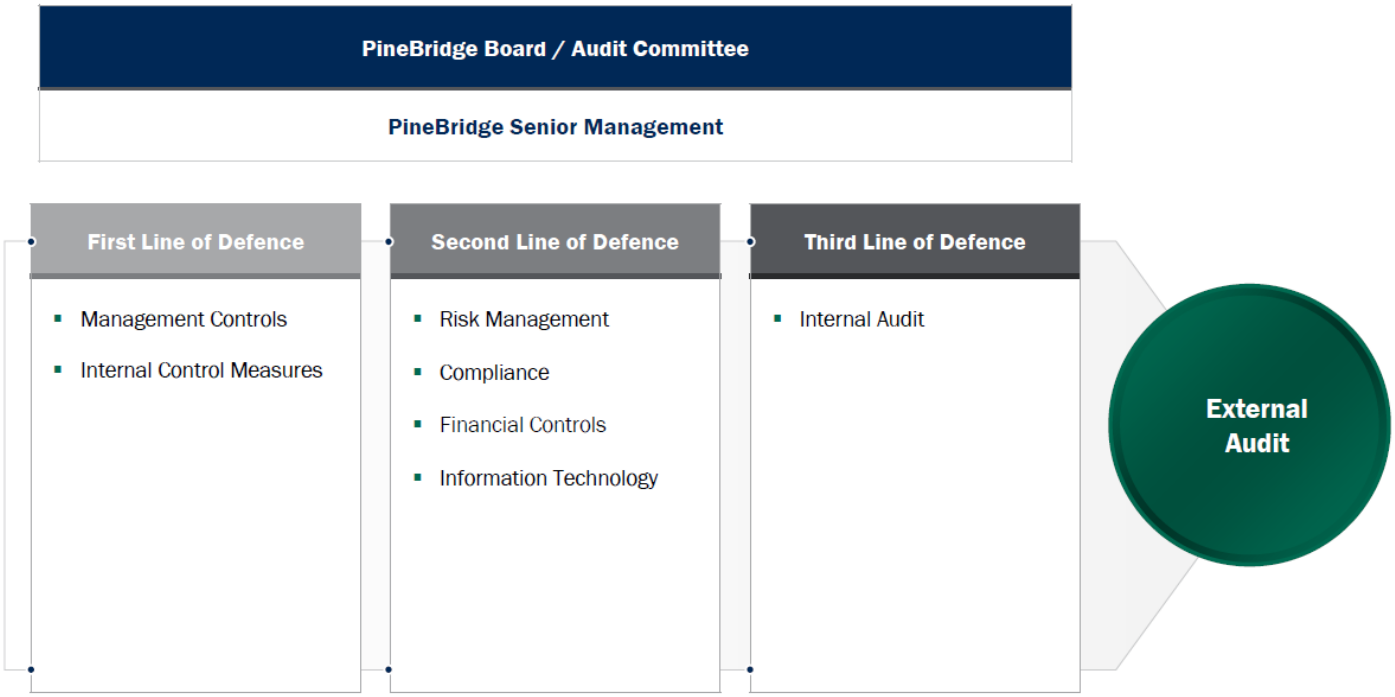
Risk oversight

At PineBridge, we believe that experience matters, but experience teaches us the importance of continuous learning. Every market cycle is different, and every market crisis (or exuberance) has different hallmarks. We believe that as a global team, we have responded well to systemic challenges in the markets, particularly since the start of the pandemic. We have addressed system-wide issues sufficiently well, working collaboratively with colleagues throughout our global organisation, as well as working with our industry partners and, importantly, with our asset-owning clients, some of whom are among the largest in the world. As is our DNA, we will take the lessons we have learned from where we have succeeded -- and where we could have done better -- in what has been and continues to be among the most challenging markets in several decades and apply those lessons in the spirit of continuous improvement in the future.

These principles are reinforced through reviews overseen by the PineBridge Board's Global Risk Committee. The Committee establishes and reviews key risk indicators and trends to support the firm's goal of continuous improvement.

Risk management framework

PineBridge's risk management process follows a Three Lines of Defence Model. The following diagram illustrates three independent levels of risk management control and oversight.



For illustrative purpose. We are not soliciting or recommending any action based on this material.

First Line of Defence

The first line of defence is the investment team, which is directly responsible for the active management of risks associated with managing portfolios. This includes monitoring investment risks, such as unintended market exposures, through stress tests and holdings-based analysis through the relevant risk management system. It also includes monitoring compliance and investment guideline breaches through the respective order management system.

Second Line of Defence

In the second line of defence, the Risk Management function, together with Compliance and other control functions, handle management and oversight on enterprise level risks. These include, but are not limited to, operational, compliance, valuation, derivative, counterparty risks, along with some regulated funds as required by the regulators.

Tracie Ahern, Chief Financial Officer and Chief Risk Officer, spearheads the risk management efforts at the firm. She manages the development of the risk architecture across the firm and oversees the ongoing monitoring of risks globally. In addition, Ms. Ahern is a co-chair of the Global Risk and Compliance Committee ("GRCC"), a sub-committee established by the Board and comprising several of the firm's executive leaders. She also oversees the Regional Risk & Capital Committees and Regional Approval Committees.

Third Line of Defence

PineBridge's Internal Audit Division ("IAD") forms the third line of defence and provides an independent, objective assurance and advisory oversight designed to add value and improve our organisation's operations. The IAD has a comprehensive internal audit process that is in line with the Institute of Internal Auditors standards.

The IAD comprises dedicated PineBridge personnel and works with a third-party consultant company (e.g., Protiviti). The Global Head of Internal Audit reports directly to the Audit Committee of the Board, with an administrative reporting line to the CEO.

PineBridge Risk Governance Structure

PineBridge's Board of Directors (the "Board") have risk management responsibilities that are defined not only by best practices and guidelines, but also by laws and regulations. The GRCC assists the Board in assessing the different types of risk to which the organisation is exposed.

Management is responsible for executing the firm's risk management policy. The members of the committee have direct access to, and receive regular reports from, management.

The GRCC is responsible for oversight of the PineBridge risk management process, which comprises representatives from senior management including Compliance, Investment Management, Risk Management, Finance, Operations, Legal and Technology. The GRCC comprises the following sub-committees:

- Regional Risk and Capital Committees
- Global Trade Oversight Committee (and through it, the Regional Counterparty Approval Committees)
- Global Alternatives Conflicts Committee
- Global Third-Party Distribution Oversight Committee
- Privacy and Data Security Sub-Committee
- Global Derivatives Committee
- Global Valuation Committee
- Liquidity Risk Management Committee

Principle 5: Review and assurance

Assessing our Policies

As a responsible global asset manager, investor, and stakeholder, we are committed to meeting the distinct legal and regulatory obligations and the highest ethical standards of all regions in which we do business. PineBridge continually evaluates applicable and forthcoming regulatory requirements and industry best practices globally to ensure up-to-date compliance in each region where we manage investors' assets. Please see pages 10 to 11 of our latest Corporate Responsibility Report: Advancing on Our Commitments, for an overview of our key policies.

PineBridge's active management ethos extends to all aspects of the firm, including the review of our policies and process assurance and our assessment of their effectiveness. We review all policies related to stewardship and proxy voting at least annually, and we benefit from this proactive process of self-improvement. Here are just a few examples:

- PineBridge's Stewardship Committee meets with ISS, our proxy voting service provider. In designing our customised policies, we meet with ISS at least annually to review voting over the previous year against relevant metrics and to prepare for the upcoming proxy voting season, making tweaks as necessary. We discuss market trends and evolving best practices, evaluate how our votes compared with a group of peers we consider best-in-class, and update relevant policies as needed. We also periodically review the contract with ISS and compare its scope and delivery of services with others in the market for various parts of the proxy voting and engagement value chain. To ensure proper oversight, at the end of each voting season we formally report to the CRSC on our activities, improvements, and areas under consideration for further improvement. This scrutiny, combined with the experience of the members of the CRSC, ensures a high level of quality assurance.
- PineBridge maintains a Stewardship and Engagement policy pursuant to the Shareholder Rights Directive, in the context of European Listed Equity investments. The engagement policy formalises how we have long monitored and engaged with investee companies, exercised voting rights, cooperated with other stakeholders, and managed conflicts of interest. We review this annually and make disclosures against it annually. The engagement policy is approved by the CRSC. For more information, see the firm's Shareholder Rights Directive Engagement Policy.
- PineBridge maintains a Climate Policy which aims to support climate mitigation through engagement with companies to better identify potential climate risks and opportunities, in a manner that benefits our clients. The firm has also published an overall firm level Stewardship and Engagement Policy setting forth how PineBridge endeavours to interact with companies, entities, and other market participants on ESG issues. Both policies are reviewed annually by the Corporate Responsibility Team and CRSC and are updated as needed on an ad hoc basis.
- PineBridge maintains Proxy Voting Policies and Procedures, which formalise how we exercise and monitor shareholder proxy voting rights. Our proxy voting objectives are to vote in the best interest of our clients, to ensure that our voting procedures are clearly outlined, and to provide clients with ready access to how we voted and why. The firm's Global Risk Committee conducts annual reviews of our procedures and votes to ensure they continue to serve our clients' best interests within the context of any changes in the investment, regulatory, and ESG landscape. Access our Proxy Voting Policy to learn more about our approach.
- PineBridge's European products are subject to initial product manufacturing analysis and a rigorous annual review process. This process aligns product design with target markets and distribution channels. For instance, our Undertakings for the Collective Investment in Transferable Securities (UCITS) range is designed in every way to be appropriate for retail investors, whether advised or not, and wherever they may be located. It is a liquid product range that provides easily understandable disclosures and high reporting transparency. By contrast, our institutional mandates and funds strategies sometimes require more market knowledge and/or are less liquid, and therefore should not be made available to retail investors.
- Finally, each subcommittee of our CRSC (Stewardship, ESG Investment, DEI, and Company Responsibility) is charged with reporting to the CSRC verbally quarterly and annually on a written basis, with formal reports on whether and how they are measuring up to their respective charters, indicating any shortcomings and efforts underway to address potential weaknesses. Each has oversight and is accountable in respect of its specific area of expertise.

Assurance: Our carefully honed approach

Internal assurance has meant bringing PineBridge's internal audit function to bear in assessing our stewardship's effectiveness in an annual risk-assessment and audit plan. Internal audit prepares an audit plan based on assessment of PineBridge Investments group companies' business and IT risks. Internal audit conducts a risk assessment annually to develop a risk-based internal audit plan and executes integrated internal audits globally (using quantitative attributes such as AUM, revenue, headcount, country risk, etc., and qualitative attributes using changes in process/system/people, prior audits, regulatory environment, risk register results, etc.). Each business unit and support area are subjected to an audit program that includes obtaining an understanding of the key risks and controls of the processes/products/support areas and related systems being audited, evaluating their adequacy, and testing the degree of compliance with PineBridge's policies and procedures.

The frequency and scope of the internal audit plans are determined based on the results of an Internal Audit Risk Assessment. The plan is presented to the Company's Audit Committee for approval. If necessary, adjustments are made to the plan during the year and approved by the Company's Audit Committee. All internal audit reports are distributed to the Management Committee, and the status of the overall executed audit plan and open audit issues are reported to the Audit Committee. To gain independence from management, the Global Head of Internal Audit reports directly to the Audit Committee of the Board with an administrative reporting line to the CEO. We believe that the internal audit function, combined hierarchical independence and deep knowledge of our business make it the ideal choice for independent assurance.

ESG-related processes such as governance oversight, various policies, investment integration, monitoring, engagement, and escalation for key asset classes (e.g., Fixed Income, Equity, Multi-Asset, and Alternatives, etc.) are periodically reviewed to ensure the described business processes and its reported data were reasonably and accurately reflected in the signatory reports as part of the independent review. Further, we validated that the management's review process was maintained to ensure that the final signatory reports, such as PRI and UK Stewardship, were shared with respective subject matter experts, relevant senior managements, and other oversight committees (e.g., Governance Committee, Stewardship Committee) for review and signoff before submission to ensure the stewardship reporting is fair, balanced, and understandable.

In 2024, PineBridge also engaged Ernst & Young to conduct the SSAE 18 Service Organisation Control 1 (SOC-1) report on its global investment advisory operations processes for its Fixed Income, Equity, Bank Loans, and Hong Kong Alternative Investments businesses. Ernst & Young expresses an independent opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the controls described in the report to achieve the related control objectives based on the examination. The 2024 SOC-1 report assesses, among other things, PineBridge's corporate governance and oversight, integrity and ethical values, internal audit division, and trade authorisation, trade execution, trade allocation, compliance monitoring, including investment restrictions and guidelines. Ernst & Young issued a clean 2024 SOC-1 report for PineBridge.

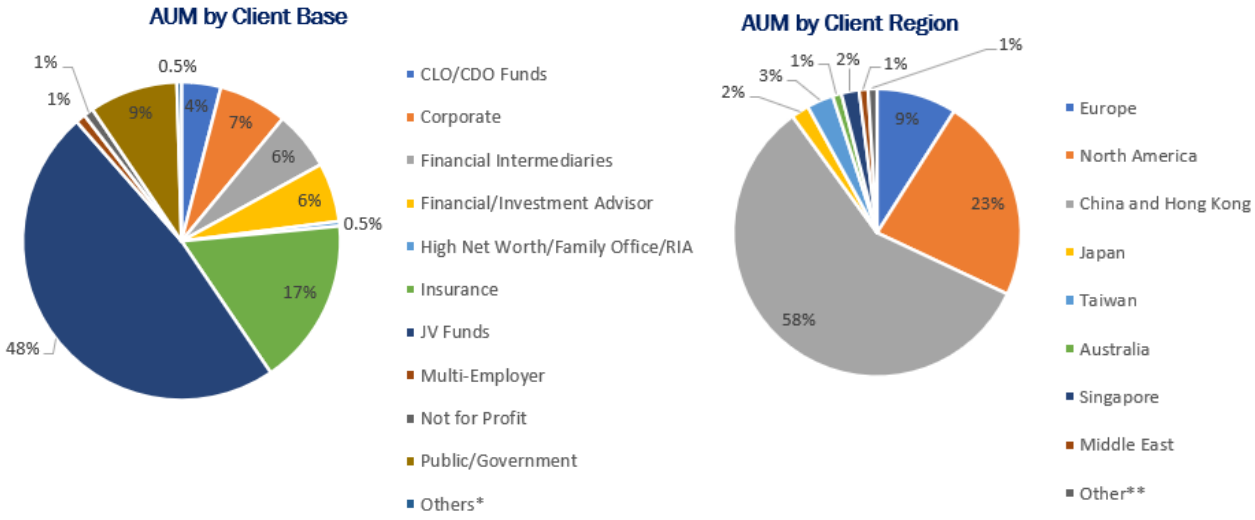
Effectiveness of reporting

Our goal is to ensure that our reporting and other communications to clients are fair, balanced, and understandable for each type of client – a significant task for a firm with a broad scope of products and clients in numerous countries and with differing needs. To achieve this, our starting points are two key questions: What are our clients' expectations, and what are the regulatory requirements? We customise our client reports to meet clients' needs as necessary. This may include reporting on our internal ESG rating and other measures of sustainability. We also provide full proxy voting records to clients as requested and as they pertain to client portfolios.

As referenced in *Principle 2*, The Stewardship Committee has three co-chairs who are seasoned investment professionals and representatives of each of the firm's asset classes. The Stewardship Committee is responsible for overseeing the firmwide reporting, cross-asset collaboration, and escalation processes to ensure the firm's stewardship efforts are fair and balanced. The Stewardship Committee reports to the CRSC concerning its activities, either orally or in writing, at regular meetings of the CRSC or at other times or occasions as the Chair of the CRSC determines.

Principle 6: Client and beneficiary needs

With US$190.3 billion in assets under management as of 31 December 2024, PineBridge has a highly diversified client base, which includes public and private pension plans, corporations, insurance companies, financial intermediaries and investment advisors, individual clients, union pension plans, foundations, and endowments all over the world. Thus, we have experience working with almost all types of clients, which also include foreign institutional investors. PineBridge seeks to generate higher alpha by integrating the firm's global multi-asset class knowledge and insights through effective collaboration among all of its investment teams and through innovative investment methodologies that unite fundamental perspectives and deep analytical insights.



Data as of 31 December 2024.
*Client Base Others - Includes Retail, Pooled Assets, Non-Accredited and Accredited Investors and Consultants.
**Client Region Other - Includes Middle East, Latin America, Korea, Africa, and other Asia countries.

We are committed to exceeding our clients' expectations across each interaction and communication with us, from onboarding to portfolio reviews, market insights, and reporting requirements, to name a few. We understand that our clients hold us accountable for our investment mandates, particularly our commitment to achieve our investment objectives. We have a long history of managing assets for clients and some valued legacy clients that we have had for over 40 years.

Active communication with clients is a central part of our relationship management at PineBridge. During client onboarding we ensure that we have a clear understanding of our investors' investment goals and objectives, including time frames and any constraints that affect our investment management. Time horizons vary by asset class, with more liquid strategies having a three- to five-year time horizon, while Alternatives strategies work to a time horizon correlated to the life of the relevant closed-end fund, which may be five to eight years. We also provide investors with an update on our corporate responsibility and sustainability efforts.

For us, a dialogue is about more than just one meeting – it's about ongoing research to understand the business and relevant material factors that may impact the performance of the mandate our clients have entrusted us with. As part of our ongoing relationship management, we have both regularly scheduled and ad hoc communications with investors, sharing updates specific to our clients' investment mandates, as well as on broader corporate responsibility and sustainability initiatives. We review whether our clients' investment goals and objectives are being met and that any constraints affecting our investment management are still relevant and appropriate. In addition, we evaluate our reporting to ensure it continues to meet our clients' needs.

ESG reporting

We continue to improve our ESG-related reporting in accordance with the requirements and requests of our internal and external clients globally. In addition to our PB proprietary ESG scorings and integration, we continue to evolve our relationship and work with MSCI and its ESG data sets globally. As signatories to the IIGCC and the UNGC, we

annually report and improve on ESG reporting in areas including climate, human rights, biodiversity, and other ESG themes. As a global asset manager, we remain very connected to the ESG regulatory environment and requirements in the jurisdictions where we reside and have regulation reporting obligations. As a firm, we have the ability to report on a variety of different ESG metrics on demand and currently accommodate periodic customised reporting for several clients. It has been our experience that clients globally are on different journeys regarding their understanding and implementation of ESG topics. Our ability to discuss relevant themes and provide basic ESG reporting and benchmarking has helped several of them begin down the path towards advancing their own responsible investing goals.

We continue to improve our sustainable reporting in line with the requirements and requests of our clients globally. As a firm, we can report on a variety of different sustainability metrics on demand, which can be leveraged to accommodate periodic customised reporting for clients. We have long recognised that there is no "one size fits all" approach to responsible investing that is appropriate for all asset classes globally. In our experience, clients have different sustainability objectives and implementation preferences.

To deliver on this requires a meaningful firmwide view of certain data points that are relevant across asset classes. In 2023, the firm worked to identify and evaluate common metrics and practices from the longstanding sustainability data points maintained by each team to craft a meaningful top-level view. This supports a more nuanced reporting approach for client initiatives. In 2024, we updated our Stewardship and Engagement policy to better reflect the material engagement themes that our investment teams typically address with investee companies, alongside updating our technology and data-tracking capabilities to improve reporting of these engagements.

Evaluating the effectiveness of our chosen methods to understand the needs of clients and/or beneficiaries

During periodic communications, we confirm that our clients' investment goals and objectives are being met and that any constraints affecting our investment management are still relevant and appropriate. In addition, we confirm that the reporting we provide continues to meet our clients' needs and provides clear support for the communications we make.

In terms of client engagement, client interaction and feedback are paramount to PineBridge's ability to provide best-in-class client service. Regular portfolio reviews, diligence meetings, and ad-hoc calls provide opportunities to engage with clients. During portfolio reviews, the portfolio management team provides a review of the portfolio strategy, performance and outlook, along with an update of engagement efforts on corporate governance topics. This enables PineBridge to manage portfolios in alignment with our clients' stewardship and investment policies. As mentioned, Ms. Faraday is often on calls to discuss the firm's corporate strategy, as well.

As qualitative and quantitative metrics of sustainability performance continue to emerge, our teams are working alongside our clients to enhance our traditional reporting to address specific client needs and those of their beneficiaries. Our expanded relationship with MSCI One allows us to add more metrics to our reporting, and we continue to enhance this reporting across all asset classes. Clients are encouraged to express any questions, concerns, and opinions to their designated relationship manager during regular reviews or off-review periods, which we value to better understand their reporting needs. An example of PineBridge's adaptability to better service our clients' needs: on one of our client calls, our relationship management team discussed standardising ad-hoc requests from the client so that we could provide the data set in a regular report on an ongoing basis, instead of a series of ad-hoc requests.

Our primary goal continues to be the satisfaction of our clients' needs. Evaluating the effectiveness of our chosen methods is important for us to continue to provide outstanding client service and the best possible performance. Our approach to client service is to be proactive relationship managers with value-added services. Our client relationship teams engage with our clients on a regular basis and conduct periodic surveys to assess what our clients are telling us about their evolving priorities. Addressing client queries is the top priority for our investment and client relations teams, and we aim to provide timely responses.

In 2024, we continued to strengthen our client offerings with the goal of supporting clients as it relates to sustainability policy and meeting regulatory requirements. Our offerings aim to address key sustainability market

drivers, spanning regulatory requirements, stakeholder expectations, and industry best practices to create value across industries and at every level of an organisation. These include customised services based on our clients' specific needs, with discrete steps and analytical stages. Moving forward, we aim to expand the scope of our offerings to enhance the value for our clients.

Reporting in line with regulatory expectations

Regulatory expectations in relation to nonfinancial reporting continue to increase, and PineBridge is evolving to meet those expectations on an ongoing basis. Sustainable Finance Disclosure Regulation (SFDR) requires each SFDR Article 8 and 9 product to have an ESG pre-contractual disclosure annex, an annual reporting annex, and a newly prescribed website disclosure document. These disclosures have been in place since 2022, and two years of annual reporting under SFDR for our Article 8 funds have been published, with the latest annual reports captured in the year end **2024 Global Funds Financial Statements**, available on our firm's website.

In addition, we published our second **Taskforce for Climate-related Financial Disclosures (TCFD) Report** in June 2025, covering our 2024 initiatives and activities. Our TCFD disclosure outlines how PineBridge considers climate-related matters when managing assets on behalf of clients, incorporating governance, strategy, and risk management elements, as well as relevant climate-related metrics and targets.

Evolving regulations and client expectations – whether in Hong Kong, Singapore, or Japan, or concerning the evolution of the European nonfinancial reporting framework – mean our reporting process and its oversight will be ongoing and will require continual adjustments.

Industry partnerships

Our role as a responsible investor and stakeholder is also reflected in our industry partnerships. We remain committed to advancing our industrywide education and action related to climate change and other ESG issues, which helps to support our client partnerships. Our active memberships include signatory status to the UNGC, PRI, and others. We partner with organisations including the Institutional Investors Group on Climate Change and the SASB Alliance.

Corporate Responsibility Report

We have made significant advancements in our commitment to corporate responsibility, including responsible investing and client ESG reporting.

In 2024, we published our fourth annual **Corporate Responsibility Report: Advancing on Our Commitments.** This report is publicly available on our firm's website for our clients and peers to review. The report focuses on actions taken to meet our corporate responsibility commitments and outlines our responsible investment process – including stewardship, proxy voting, and documentation of engagement with portfolio companies. The report also includes firm-related data on employee demographics, employee engagement, and forward-looking commitments to advance our corporate responsibility commitments.

Principle 7: Stewardship, investment, and ESG integration

PineBridge believes in an analytical approach that considers how companies seek to improve upon ESG issues that can have a material impact on investment returns and risk mitigation over the medium to long term. In evaluating ESG risks and opportunities, PineBridge recognises that business models that improve upon their sustainability factors often create value that should be rewarded through a reduction in the cost of capital. We believe encouraging improvement in corporate ESG practices can be more beneficial to all stakeholders than a mere rejection of the status quo. Change drives investment performance, and we believe our role as active managers is to encourage change through corporate engagement that seeks to enhance investment results by mitigating risks and identifying potential opportunities. This analytical approach is at the core of our investment process across all asset classes.

A sustainable approach to investment

A sustainable approach to conducting business helps deliver results for all stakeholders, from companies, their employees, and their local communities to their investors. In aggregate, a sustainable approach to evaluating investments has the power to incite positive change.

We translate the degree of business sustainability into an investment risk, or opportunity, which we quantify through due diligence and incorporate into the valuation of securities for both debt and equity. Given the interrelationship between ESG factors and the strategic, financial, and risk expectations for a company, we fully integrate these factors in most of our investment strategies and consider them for the remainder. Our proprietary due diligence frameworks across asset classes underscore our view that an evaluation of ESG factors should be embedded into uniform, structured workflows from idea generation to portfolio construction and monitoring, and finally engagement to nurture such change.

In-house ESG-scoring: Forward-looking analytical frameworks

In most of our strategies that fully integrate ESG, we take a medium- to long-term perspective for our investments, seeking excess returns over benchmarks from security-level inefficiencies that result from the market's narrow focus on the short term while often mispricing the changes in companies over time. At PineBridge, while we report our portfolios with such independent data vendors scores versus benchmarks and show well in most instances on such point-in-time comparisons, we go further. We place more value on a nuanced, forward-looking perspective that goes beyond a company's current state and attempts to gauge its trajectory and improvement on ESG issues within a reasonable timeframe.

Research and data providers are chosen precisely because they can provide the raw information needed to support forward-looking views. Data from our third-party data providers helps us to evaluate whether the ESG improvements we identified upfront are consistent with industry findings. We seek to encourage companies to make ESG improvements by engaging with company management for such changes. If identified material ESG improvements are not made over time despite multiple engagements, we may escalate to vote against the management. It is important to align one's stewardship in the engagement and voting stages with the upfront analysis, and this is what our in-house due diligence frameworks seek to achieve.

In-depth bottom-up analysis is the core of our investment processes

In most of our strategies that fully integrate ESG, our due diligence frameworks provide an assessment of where a company is traveling, and not just where it stands currently. Sound fundamental analysis that fully integrates ESG considerations can provide a view of how the business will evolve over time, and securities with favourable outlooks should be rewarded with higher valuations as these projections are realised.

Our due diligence frameworks typically group many analysis items under the headings of Quality of Governance and Leadership, Sustainability of the Business, and Financial Strength. Governance and Leadership quality is the cornerstone of our due diligence assessment, since effective strategy, execution capabilities, and corporate culture stem from strong management.

When assessing corporate strategy, we include the company's environmental and social strategy together with the commercial strategy given their interdependencies, particularly in the context of evolving regulatory requirements.

Our analysis frameworks include some soft judgmental criteria for which no hard data exists, such as the reputation and the track record of the CEO and the management team, since the best strategy cannot be successful without strong execution skills. We also incorporate materiality issues, such as by reference to the SASB Materiality Map, by adjusting the raw scores for key material issues.

Our investment teams are bound by the due diligence analytical frameworks and the investment processes used within each of our asset classes, which are designed to ensure that there is no circumvention of the limits that are stipulated and that no shortcuts are taken in the workflow. Ultimately, we aim to ensure that managements deliver upon anticipated improvements and commitments.

The forward-looking frameworks for due diligence contain many items for analysis and often identify potential areas of improvement for even the highest-scoring companies. Investment professionals leverage the framework's lower-scoring items for the focus of our engagement with management, and we make the connection with our escalation processes to proxy voting as appropriate.

A consistent yet customised approach across asset classes

Despite asset classes needing to approach integration and engagement from the perch of where they sit in the capital structure, and to fairly represent this in showing their products to prospects, our firm's organisational structure results in a high level of consistency in our investment philosophy and process across our asset class teams. Instead of assigning ESG responsibility to a siloed team, we believe that committed investment professionals with specialisation at the company and industry level are best positioned to spot and nurture forward-looking improvements. They are in the best position to identify the most material and likely items ripe for change and to have the credibility to press for change. Also, as in many walks of life, commitment is strengthened through involvement.

The high level of interaction that exists among our teams, together with the focused leadership for each asset class, ensures that our investment frameworks and workflows are followed consistently around the world.

As active managers, our proposition to clients is that investment excellence flows from a clear and consistent focus, and culture and structure to generate ideas, along with a keener ability to see and thus manage risks. Our clients hold us accountable to our investment mandates, particularly our commitment to our investment objectives, and our investment philosophies and processes dovetail with those objectives. We seek to deliver the right results the right way, which has evolved from following one's process to integrating ESG into one's process. At PineBridge, our culture of collaboration extends beyond our investment teams to our clients as part of our goal to achieve the best outcome for asset owners. As a mid-sized firm, we can have a high degree of interaction with our asset-owners.

Priorities for assessing investments

From the asset owners to ourselves as asset managers, and on to the issuers in which we invest, several priorities have emerged. PineBridge believes that environmental, social, and governance factors are all important risk indicators, but we see the following priorities within each pillar:

Environment

At PineBridge, we recognise that climate change and its associated risks pose increasing challenges to the global economy. We engage with our portfolio holdings to take responsible and economic actions, to meet client expectations, towards climate-associated risks. We believe this results in long-term economic value. PineBridge is committed to furthering its stewardship and engagement practices to drive actionable change toward climate change mitigation and adaptation practices.

Our Climate Policy aims to support climate mitigation through engagement with companies to better identify potential climate risks and opportunities, in a manner that benefits our clients.

The ESG Investment committee maintains oversight and sharing of best practices learned from asset classes inside PineBridge and outside groups that we belong to regarding the incorporation of environmental risks into portfolio decision-making over the investment horizon. The identification of climate-related impacts remains a priority in our journey as responsible investors and fiduciaries of our clients' assets.

Industry framework and PineBridge application

As a global investment firm, PineBridge has committed to setting and pursuing portfolio objectives on net zero as part of our ongoing efforts to manage material climate-related risks. Our goal is to pursue meaningful progress on climate-related issues through our own independent strategies. This approach ensures that we remain committed to responsible investing, and we will continue to assess climate risks and opportunities in alignment with our long-term investment approach. Pursuant to the firm's Climate Policy, our teams will engage with portfolio holdings to ensure responsible actions are being taken in line with our client expectations regarding climate risk management.

PineBridge selected the Paris Aligned Investment Initiative's Net Zero Investment Framework (NZIF) as our methodology for establishing and pursuing net zero objectives. This methodology was chosen on the basis of its prevailing use by other members of the asset management community and the flexibility it grants to firms and their portfolio managers, particularly when considering overarching investment objectives. This allowed our team to design a customised plan and approach that is consistent with our firm's strategic approach and investment operations while recognising that exceeding client expectations remains paramount.

PineBridge Investments Climate Risk Engagement Objective: Issuers making up 70% of financed emissions (defined as the greenhouse gas emissions associated with our investments' activities) in material sectors will either be assessed as net zero, assessed as aligned, assessed as aligning, or assessed as subject to direct engagement/active management.

As part of our commitment, we have set an annual objective of engaging with issuers in scope that contribute towards 70% of the portfolios' Weighted Average Carbon Intensity (WACI) if those names aren't already categorised as "net zero" or "net zero-aligned" companies, per NZIF criteria. There is no baseline year performance because we aim to engage with the issuers in scope on net zero regardless of historical engagement activities. We will assess the current alignment of our funds in scope and track the alignment to measure progress towards the engagement objective.

PineBridge published the firm's first interim net zero related engagement process in November 2022. These objectives established the baseline for our climate risk mitigation strategy, identify the assets in scope, set engagement thresholds, and represent an initial assessment. We will continue to closely monitor our progress as well as industry best practices and frameworks to assess climate risks and opportunities in alignment with our long-term investment approach.

Net zero and climate risk engagement in-scope assets include those that are under the firm's proprietary management, are not classified as separately managed accounts, are within appropriate fund structures, and for which there is at least emissions and financial data for 70% of the portfolio. As of year-end 2024, our net zero in-scope assets were US$15.52 billion, representing over 16.06% of AUM. Due to data limitations, we are now covering only Scope 1 and 2 and will phase in Scope 3 emissions over time.

i. Climate-related disclosures

PineBridge published its second **TCFD report** in June 2025, pursuant to the UK Financial Conduct Authority's (FCA) disclosure requirements for asset managers. This report is available on the PineBridge Investments Europe Limited (PBIEL) website. The disclosure period was for the year 2024, reflecting policies and governance arrangements at that point in time. Our disclosures set out how PineBridge considers climate-related matters when managing assets on behalf of clients, incorporating governance, strategy, and risk management elements, as well as relevant climate-related metrics and targets.

ii. Climate scenario analysis

Scenario analysis is used to inform assessments of the resilience of an organisation's business or strategy to disruptions and the ability to adapt to changes or uncertainties that might affect performance. Regarding climate change, scenario analysis allows our firm to develop insight into how the physical and transition risks and opportunities arising from climate change might impact the business and portfolios over time.

PineBridge follows a materiality-based evaluation of climate-related risks in our portfolio risk management process with respect to:

- assessment of climate resilience of portfolio holdings;
- assessment of reputational risk surrounding potential corporate complacency of investee companies on the matter of climate risk preparedness, as well as emergency readiness (environmental as well as impact on local communities).

With respect to the first point above, in the case of developed market credit exposures, we follow in-house key risk indicators (KRIs) related to climate risk (i.e., greenhouse gas emissions, renewable energy programs, fuel economy, and low-carbon transition initiatives) in alignment with the SASB's guidance on environmental dimensions by sector.

With respect to the second point above, we conduct internal benchmarking analyses in alignment with the materiality portfolio risk framework. These rely on data analytics provided by RepRisk, a reputational and ESG risk provider, to augment due diligence efforts on ESG practices and business conduct. Among others, RepRisk indicators provide a real-time update on early-warning signs of ESG risks, including climate-related risks within environmental, social, and governance dimensions. Our portfolio risk management process for sustainability risks relies on both longer-term and near-term evaluation of those emerging trends to address potential downside risks, as well as investment opportunities in companies that are building enterprise value through climate resilience.

PineBridge also uses forward-looking metrics from time to time to assess transition alignment and risk exposures, leveraging scenario analysis tools. Our teams work closely with MSCI to perform scenario analysis using a range of key forward-looking metrics, such as the Implied Temperature Rise (ITR) and the Climate Value at Risk (CvaR) of portfolios. We are able to assess the inherent climate-related risk and opportunity set across the short, medium and long term by leveraging established scenarios, such as those from the Network for Greening the Financial System (NGFS), to assess publicly listed equities and corporate debt issuers, within our data provider's client portal. The results of these scenario analysis exercises facilitate our forward-looking assessment and management of climate-related risk.

Sustainability risks are integrated into investment decisions on an asset class-by-asset class basis

The integration of sustainability risks and how those risks are managed is determined on an asset class-by-asset class basis by teams of portfolio managers and analysts specialised in specific asset classes. These investment teams implement investment decision-making, and the company has, in consultation with these investment teams, formulated this policy.

Listed Equity assets

For Listed Equity assets, the investment teams assess financially material issues as part of their Equity Risk Assessment Framework, which embeds ESG considerations and sustainability risk into the analysis of potential and current portfolio companies on an ongoing basis. As well as examining issues related to governance, such as business ethics, compensation alignment with shareholders, and board independence, environmental impact and social strategy are also considered as part of the investment process. These ESG factors include GHG emissions trends, waste and waste-water impact, air quality impact, employee health and safety, community engagement, and supply chain management. These factors are embedded within the overall assessment of the company and ultimately, will inform the decision about whether to engage with, add, hold, or remove a company from the portfolio.

When the Investment Manager has concerns about the results of its analysis, whether ESG risk or more broadly a sustainability risk, it will engage with the company to highlight the issue, address the concern, and attempt to influence change within the organisation. Where the engagement is less successful than hoped, or where the management response is unsatisfactory, the Investment Manager may follow proxy voting procedures to express its view more publicly.

Fixed Income assets

For Fixed Income assets, Investment Managers incorporate the review of multiple ESG- and sustainability-related factors and risks into the credit analysis process for potential and current portfolio investments on an ongoing basis. As well as examining issues related to governance, such as business ethics and the overall quality of corporate governance, other environmental and social factors are also considered as part of the investment process. These include an issuer's impact on the environment and its level of investment to improve that impact, the issuer's treatment of human capital, and the social decency of their suppliers, products, or services.

The teams produce ESG scoring for each issuer covered by the research teams. Internal scoring ensures we have a view on the ESG risks of all issuers owned whether or not data exists from a third-party vendor such as MSCI. The scoring incorporates firm-level priorities, such as GHG emissions and human rights, as well as industry-level key risk indicators for environmental, social, and governance parameters. ESG risks are each numerically scored on a scale of 1-5 and used further to create an average score for the issuer. The analyst also provides a narrative on the rationale for the scoring, highlighting risks and mitigants. Scoring may be used in a variety of ways including choosing engagement targets and being incorporated into client-specific investment restrictions and reporting. All scoring is recorded on our Credit Analysts Platform (CAP) and utilised in a variety of portfolio and risk management processes.

Where these issues are deemed material, they are actively evaluated, discussed, and challenged through both research and through discussions with management. While a Fixed Income investor's ability to directly influence a company's behaviour is more limited than that of Equity investors, the Investment Manager believes that active engagement concerning these issues may have a positive influence on companies seeking capital in Fixed Income markets.

Multi-Asset investments

For Multi-Asset investments, the Investment Managers follow an investment process that integrates ESG into both the asset allocation and implementation of decisions.

In making asset allocation decisions, the Investment Managers ascribe an ESG Outlook to each asset class, with a focus on those expected to improve in the medium term. This outlook is reviewed regularly and updated as necessary.

In ascribing the ESG outlook, as well as examining issues related to governance, such as fraud, business ethics, board independence, and board composition, the Investment Manager also considers environmental issues such as emissions intensity.

The Investment Managers also identify the level of engagement expected to be required in each asset class and will decide whether to invest passively or with active management where the expectation is that most companies or securities will have relatively low ESG risk and will prefer active management where the ESG risk is expected to be higher and more active engagement is expected to be warranted.

The Investment Managers may seek to engage with portfolio companies directly to attempt to influence change within the organisation in order to address any ESG or sustainability related issues. Where the engagement is less successful than hoped, where the management response is unsatisfactory, or where there is no demonstrable improvement, the Investment Manager may follow proxy voting procedures to express its view more publicly. Only as a last resort, will the Investment Manager divest. The Investment Manager also may change its asset allocation if expected improvement does not occur over the medium term.

Alternatives

Stewardship and ESG factors are also integrated into our Alternatives investment process. For instance, in Private Credit, the review of ESG considerations is formally integrated into our investment underwriting and monitoring processes, primarily through the incorporation of questions around company and sponsor approaches to ESG and their policies during our due diligence of the companies we consider for investment. We consult SASB's Engagement Guide for Asset Owners & Asset Managers during this pre-investment diligence process for relevant industry-specific topics. We also utilise the Loan Syndication and Trading Association's (LSTA) Questionnaire, when possible, to collect additional data on the companies in which we invest. We assign an internal ESG Score for each company and closely examine those with adverse scores or with meaningful exposures to sectors that may be perceived to have unfavourable E, S, or G characteristics. We periodically reevaluate the ESG scoring via passive and active monitoring, including direct lines of communication with the borrower and/or management team, as necessary.

Real Estate

In Real Estate, identified ESG considerations cover topics including those below. These considerations are embedded into our decision and monitoring process with the objective of mitigating sustainability risk and driving investment value.

Environmental

- Energy and climate change (e.g., energy consumption assessment and reduction)
- Waste management (e.g., feasible waste management monitoring)
- Water efficiency (e.g., long-term water reduction plans)
- Biodiversity and habitat (e.g., seeking opportunities to enhance biodiversity)

Social

- Stakeholder engagement (e.g., meaningful engagement with our tenants on key sustainability issues)
- Health and wellbeing (e.g., regular tenant surveys)
- Culture and community (e.g., considering opportunities to use vacant space for community benefit)

Ethics and governance

- Management systems (e.g., processes, procedures, and training)
- Reporting (e.g., participation in the Global Real Estate Sustainability Benchmark, or GRESB)

As a PineBridge Investments entity, PineBridge Benson Elliot Real Estate's internal procedures are aligned with PineBridge Investments' Code of Ethics, enabling the proper application of the corporate strategy within the risk tolerance framework defined by the firm. A strong governance culture encourages exemplary day-to-day behaviour and enables innovation.

Process and procedure

Comprehensive processes and procedures to identify and manage environmental, social, and governance risks during the acquisition, development, and operation of real estate assets are maintained. This includes the integration of the above ESG considerations.

Assessments of the likely impacts of sustainability risks on the returns of financial products

Environmental, social, or governance events or conditions could have a material adverse effect on the value of an investment and on the value of any sub-fund containing that investment. The impact may vary and may depend on several factors including, but not limited to, the type, extent, complexity, and duration of the event or condition, prevailing market conditions, and the existence (or not) of any mitigating factors.

Governance and leadership

Consistent with the belief that issues associated with ESG factors can materially impact the performance of companies in which it invests, PineBridge's investment teams seek to engage with investee companies on governance issues where relevant. The mechanisms and leverage points for such engagement vary across asset classes given where they reside in the capital stack. However, as part of our research processes within each asset class, our investment teams frequently spend time with senior-level management of the companies we are analysing, and this frequently includes discussions of how ESG issues could affect their businesses and potential investment performance. We believe that such discussions can help draw management attention to these issues and their importance to the investment community.

PineBridge utilises ISS to consult on and administer our proxy voting process. ISS scores are a by-product of its proxy services and address the social and governance components of ESG. ISS analysis is based on four pillars: 1) Board Independence, 2) Shareholder Rights, 3) Executive Pay, and 4) Audit Score. ISS covers 7,000 issuers and assigns Quality Scores from 1 to 10, with 10 the highest risk. ISS information is available to all Bloomberg subscribers. Our investment teams use this information in their analysis of companies and to facilitate meaningful engagement.

Stewardship in action

Within our investment processes, information gathered through stewardship frequently has an impact on buying, monitoring, and selling decisions. We have selected the following case studies as representative samples of how we integrate stewardship and ESG across our asset classes.

Stewardship examples

Midstream Energy Company continues to lag in disclosure as it relates to environmental data

Asset Class: IG Fixed Income

Country/Region: United States

Company Description: Midstream Energy

Engagement Method: In person meetings (industry conferences)

Engagement Topic: Targets around GHG emissions

Engagement Objective: Increased disclosure and targets for GHG emissions

Engagement Overview: We continue to have regular business update conversations with members from the management team of this large, diversified Midstream Energy company. Operationally we are quite impressed with the organic and inorganic growth the issuer has realised over the past several years. That said, the issuer is a significant laggard in reporting standards. In conversations, the company continues to show a focus on managing and monitoring its emissions profile as indicated by a relatively 30% reduction in emissions intensity since 2011 (prior to two mid-sized acquisitions focused on gathering and processing in 2023 and 2024).

In conversations in June and December, management indicated that absolute emissions of course would immediately go up – as likely would intensity – given the significant acquisitions that were completed in close proximity. That said, management was quick to point out that absolute emissions from those formerly (HY) entities lift the overall business, however, provide an immediate opportunity for absolute (and intensity) reduction. The issuer does not have a numerical target nor a plan to publicly discuss a target or timeline for further reducing emissions. Management is comfortable with its approach and will respond appropriately if regulations were to require specific levels of disclosure above its current reporting. Several Midstream Energy companies only report Scope 1 emissions data – and the issuer is among the largest to which we've suggested to the company they need to take a leadership role in disclosure and others will follow. In a follow-up to the FY'23 sustainability report, we discussed the continued lack of Scope 2 data or any relevant emissions related targeting – as well as what we viewed as delayed reporting – with the management team. Further, we pointed out that the limited absolute Scope 1 and methane emissions data reported provided limited insights into direction or improvements in intensity (as % of EBITDA or relative to hydrocarbon movement). That said, the company has continued its strong product volume growth over the past few years, that we've discussed over the prior decade with liquid volumes through 2023 increasing >30% from 2021 to 2023, while Scope 1 and methane emissions increased 18% and 15%, respectively.

While the movement is positive for intensity, we've suggested management provide the market with greater insights into efforts to further reduce emissions intensity. Management noted that they have access to the data and anticipate that in the near-term emissions will move higher (predominantly due to acquisitions – seems less clear how this will impact intensity or what efforts the company can take on the newly acquired assets). While the issuer is willing to arrange for conversations with its environmental/emissions management team, they do not plan enhanced disclosure. That said, we'll continue to engage with the issuer on more fulsome disclosure of emissions data, as this will support a better appreciation of long-term risks and opportunities. While the issuer leans on the progress they've made (on an intensity basis) over the past decade, we continue to encourage the company to publish environmental/emissions related data on a fulsome and timely basis, while explicitly targeting further emissions reduction from the operating footprint, as is becoming best practice among peers.

Outcome and Next Steps: We continue regular engagement with the issuer for operational updates and will continue to encourage better data disclosure and GHG reduction targets. Our next meeting with the issuer is in the middle of May 2025.

Clean energy producer in India with limited disclosure

Asset Class: EM Fixed Income

Country/Region: India

Company Description: Renewable and clean energy producer

Engagement Method: On site visit

Engagement Topic: Disclosure of ESG and operating data

Engagement Objective: Understand the potential of waste to energy

Engagement Overview: On an India investor trip, we undertook site visits to several of the company's waste to energy sites and solar manufacturing facilities. During the visit, we gained an understanding of the environmental and social benefits of the waste to energy business which involves using paddy straw – an agricultural byproduct – to feed into boilers to generate baseload power. Generation via paddy straw represents a 98% emissions reduction versus the typical disposal wherein farmers burn paddy straw in an open field. In addition to power production, the company's waste to energy process allows for usage of ending ash as a fertiliser for the farmers who provide the paddy straw. Furthermore, the waste to energy process provides farmers with an additional source of revenue.

Outcome and Next Steps:
We encouraged the company to be more forward leaning in their engagement with both potential offtake of the waste to energy power and the investor community as well, as a more robust description of the process and its benefits will likely expand the company's investor base.

Create best in class affordable housing

Asset Class: Real estate

Country/Region: UK

Portfolio Description: Affordable single-family rental in the UK

Objective: Environmental sustainability, affordable housing, community engagement

2024 Update: Since the 2023 UK Stewardship Report to the Financial Reporting Council was issued, this program has continued its investment in, and delivery of, completed housing units by Sigma Capital Group. Around 90% of the committed capital has been deployed into the program and, as of December 2024, over 4,100 homes across 51 sites have been acquired, of which 1,500 homes in 41 sites are delivered and were 86% occupied at YE 2024. The PineBridge Benson Elliot team has worked closely with the Sigma management team on site selection, financing and program delivery to ensure that it delivers the homes underpinned by the 5Ps (People, Planet, Partnerships, Prosperity and Peace).

In addition to its own invested capital, the business manages a fund that is strategically targeting to invest circa £2 billion to deliver 3,000 rented units in the Greater London area. PineBridge Benson Elliot and Sigma are looking to expand this line of business in order to leverage the expertise of the Sigma team in delivery of affordable housing for rent. The housing sector in general, and lack of affordable stock in particular, has been a topic of raised political attention, particularly with the new government, on improving the speed of planning and target setting to provide a deliverable path for capital to be attracted to support an urgent societal need.

Seek to produce a new workplace focused on the occupants' experience and the environment with excellent energy efficiency credentials while designing out future obsolescence

Asset Class: Real estate

Country/Region: UK

Portfolio Description: Class A ESG office property developed from obsolete building

Objective: Environmental sustainability, affordable housing, community engagement

2024 Update: Since the 2023 UK Stewardship Report to the Financial Reporting Council was issued, the Pinebridge Benson Elliot team continued with the construction phase of the logistics sites in Woodford and Enfield, which are both due for completion in 2025 (Enfield practically completed post-period in May 2025). The sites are targeting BREEAM Excellent and will be Net Zero Carbon in operations, as well as having an EPC Rating A.

Prospective tenant engagement is progressing well, with several interested parties in discussions with the PineBridge Benson Elliot team on their occupational needs. To mitigate the impact on the environment of additional travel to the sites, cycle storage racks will be installed to encourage commuting by bike. Electric car charging bays are also to be provided for each car parking space.

Principle 8: Monitoring service providers

Outsourcing risk categorisation

PineBridge's risk management framework sets out a risk category taxonomy, which establishes a set of risk categories that reflect the company's activities. The categories are designed to aggregate risks from various parts of the company. These are classified as Level 1 risks. Sub-categories of risks, which map into the Level 1 risks, have also been established, and these are classified as Level 2 risks.

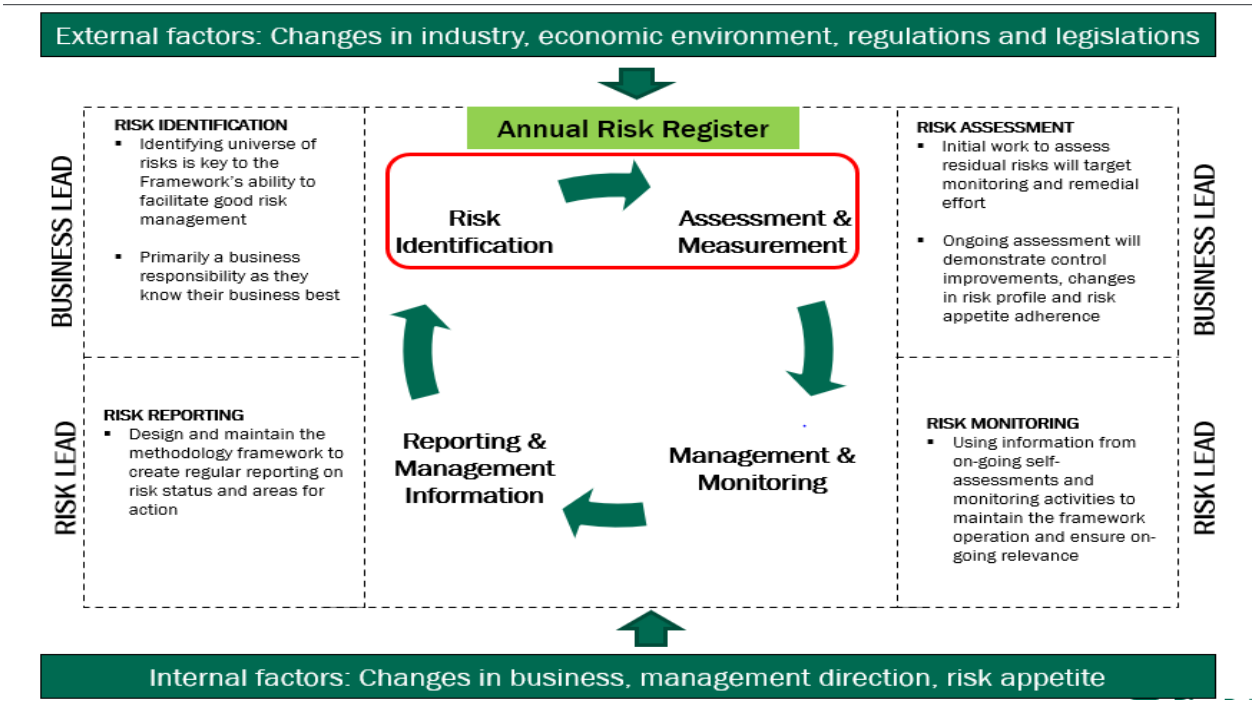
Outsourcing Risk has been classified as follows:

Level 1 risk	Level 2 risk	Level 2 risk description
Operational Risk	Delegation and Outsourcing Risk	The risk of inappropriate oversight (including investment risk) and due diligence of delegates and critical outsourced service providers.
		The risk that delegates or outsourcing arrangements could cause the firm significant risks if the provider fails to meet expectations, if the firm has to find an alternate third party or if an outsourced activity has to be brought in-house.

PineBridge further assesses and identifies risks that are associated with outsourcing activities.

Outsourcing and the risk management process

The overarching risk management process entails four key areas: identifying risk, assessing and measuring risk, treating and managing risk, and monitoring and reporting risk, as shown in the schematic below.



PineBridge established a risk register that relates to its activities. The risk register tracks delegation and outsourcing risks, including a consideration of the likelihood of those risks occurring and the resultant impact.

The inherent delegation and outsourcing risks contain the probability or likelihood of the risk and the impact of the particular risk to generate the gross/inherent risk. Existing controls and mitigants are identified and assessed for effectiveness and overlaid to determine a residual risk level or net risk for each risk.

The company reviews the risk register at least annually or in the event of changes to the firm's operating environment and strategy or changes to regulations, including new regulatory guidance. Risks taken into consideration as part of this process are outlined at the end of this section.

Our review of the risk register serves as a tool to highlight and monitor key risks to the company, and its continued evolution will reflect changes in the business profile of PineBridge, its delegates, and outsourced service providers, and the corresponding impact to internal controls and related processes.

Measuring and reporting adherence to outsourcing risk appetite– Key Risk Indicators (KRIs)

KRIs are quantifiable measures used to monitor adherence to PineBridge's risk appetite. KRIs are designed to be:

1. Measurable – the level of risk and control (e.g., number, count, percentage, etc);
2. Forward-looking – to provide early-warning signals and indicate emerging trends;
3. Comparable – to track over a period of time (trends); and
4. Informational – facilitate risk reporting and escalation process.

PineBridge uses red-amber-green (RAG) status to set thresholds and tolerance levels and provide a visual indication of the status of KRIs for reporting purposes. Please refer to the UK Modern Slavery Act 2015 (the "Act") Review Process section below for an example of applying the RAG status.

The monitoring and due diligence of outsourced service providers forms part of the KRIs and are reported to the GRCC. The KRIs also provide a visual comparison against the KRIs of the previous reporting period.

Outsourcing risks

Risk type	Description
Investor risk	This refers to the most important risk of a fund provider, namely the risk that investors suffer losses apart of the inherent risk arising from investment in financial markets.
Access risk	This refers to the risk that PineBridge, or another party (e.g., a regulator) will not have access to relevant data relating to the outsourced activity or to the service provider's business premise, preventing effective monitoring.
Business continuity risk	This refers to the risk of the service provider or the company not having appropriate contingency arrangements for providing the outsourced activity due to business disruption or loss of systems, which includes physical risks relating to climate risk. Or where the arrangements are part of an established business continuity plan, then this refers to the risk that these plans are not being periodically tested.
Compliance risk	This refers to the risk of PineBridge being unable to meet its regulatory obligations as a result of an outsourcing arrangement, e.g., where the service provider fails to provide the outsourced activity in a compliant manner or fails to make an appropriate notification to the company of a regulatory breach of laws, rules, regulations, prescribed practices, or ethical standards.
Concentration risk	This refers to the risk of the company having a significant exposure to the service provider, e.g., when a number of outsourcing arrangements have been entered into with the same service provider.
Conflicts of interest risk	This refers to the risk of a conflict of interest arising that has a material impact on the company's interests, e.g., the service provider may use information it has access to about PineBridge that is used to assist another client in a similar industry.
Contractual risk	This refers to the risk of a contractual agreement between the company and the service provider not being sufficient to allow PineBridge to enforce a desired outcome, e.g., when the company is unable to manage or monitor the outsourcing or terminate arrangements where appropriate.
Currency risk	This refers to the risk that the service provider transacts in a different currency to the Company (e.g., the service provider is based in a foreign country), which could leave PineBridge exposed to currency fluctuations that could make the agreement's financial terms less favourable for the company.
Legal risk	This refers to the risk of the company breaching a legal requirement and being exposed to litigation as a result of the outsourcing arrangement.

Risk type	Description
Reputational risk	This refers to the risk of the company experiencing damage to its reputation as a result of an outsourcing arrangement, e.g., instances where the service provider is unable to deliver the outsourced activity effectively or to the expected standard.
Operational risk	This refers to the risk of loss resulting from inadequate or failed internal processes, data availability, people, and systems, or from external events including climate-related risks from a physical and transitional risk perspective. It also includes social and governance risks that would harm the firm's ability to execute its business strategy.
Regulatory risk	This refers to the risk of the company or service provider not complying with or being unable to meet its regulatory requirements.

PineBridge performs research and due diligence before entering into relationships with any service provider. Various key factors, including governance, are evaluated to assess compatibility with PineBridge operations prior to entering into a contract. The relationships with service providers are monitored closely and reassessed periodically.

Due diligence typically starts with a request for proposal (RFP) sent to multiple potential vendors to ensure the capabilities of each one are robust and that all internal control environments would meet our expectations. These controls would need to pass our audit standards to be considered for our business. The vendor selection process is driven by competitive bidding among candidates whose capabilities are deemed best of breed, which allows for vetting of costs and service levels. Before making a final decision, we conduct an on-site visit if possible or, at a minimum, hold a meeting with the relevant parties at the service provider using the most appropriate technology to gain a further understanding of their capabilities. This meeting looks closely at the control environments built into the provider's business processes.

How stewardship is applied to service provider management

Stewardship is a vital aspect of managing assets on behalf of our clients, and it is an important component of ESG incorporation that benefits both PineBridge and the service providers we select.

The increased outsourcing to third-party service providers has created a need for monitoring such entities for baseline compliance with PineBridge's standards, including but not limited to, service level commitments, best practices in privacy and cybersecurity protections, and treatment of human capital and the social decency of the providers' suppliers, products, or services. We have adopted a set of guidelines to manage our external service providers throughout the life of the contracted service.

All outsourced processes, procedures, and practices relevant to PineBridge's business are monitored before engaging a service provider and on a regular basis under the Vendor Management and Outsourcing Policies. These policies and procedures strive to ensure the overall integrity, availability, and confidentiality of the firm's network. When identifying the appropriate third parties to pursue for new or continuing contracted service, PineBridge considers existing in-house and current provider solutions, and how the engagement with the new or continuing service provider will impact compliance requirements, overall costs, operational efficiencies, and security enhancements.

PineBridge evaluates risks associated with new engagements through a pre-engagement due diligence review that includes an onsite visit, where possible, for critical outsourced service providers (OSPs) and a comprehensive due diligence questionnaire or RFP consisting of a series of questions in the governance, risk, compliance, security, client information operational practices, and treatment of human capital, among others. The review is conducted by the firm's Legal, Finance, Human Resources, Compliance, Risk, and Technology teams with a particular focus on the vendor's capabilities, practices, and systems from an operational, data security, and reputational standpoint. When potential risks are identified, we probe into the mitigation strategies, including disaster recovery procedures, crisis communication procedures, and backup processes. This ensures that the vendor can provide services that are in line with PineBridge and clients' interests.

PineBridge conducts ongoing due diligence throughout the life of the contract. The aforementioned teams review existing service level agreements (SLAs) or performance requirements against products or services provided. This includes assessing complaints or holding discussions with employees or clients who use the service. For critical services, we assess publicly available information to identify legal, economic, and operational issues that may impact the service provider's ability to perform. We also require vendors to complete a due diligence questionnaire every year to confirm if there are any material changes to their processes and operational systems and the details of changes. When potential risks or conflicts of interest may require additional assessment, our in-house lawyers would seek further independent legal advice from a network of industry-leading law firms.

Significant events that may impact a vendor's ability to provide the services that are in line with PineBridge's and clients' interests would trigger out-of-cycle reviews and discussions. Significant events can include:

- Changes in ownership, senior management, or key staff;
- New litigation involving the vendor;
- Unfavourable news or media coverage;
- Sudden change in method or tone of communication;
- A qualified public audit opinion;
- Notification of security breaches, fraud, or theft;
- A significant decline in service provider performance;
- Regulatory changes;
- Significant technology changes such as platform conversions; and
- Change in strategic direction.

When negotiating the SLA, we consider the following points and include them where appropriate in the contract document.

- Clarification of responsibilities between the firm and the service provider.
- Provision of access by the service provider to the firm, or an external party, such as the firm's auditors or the FCA, to data relating to the outsourced activity, as well as the service provider's business premises.
- Cooperation by the service provider with the FCA regarding the outsourced activity.
- Maintenance by the service provider of the ability, capacity, and appropriate authorisation required to perform the outsourced activity.
- Disclosure by the service provider to the firm of any issues or developments that materially impact its ability to perform the outsourced activity effectively and/or in compliance with the applicable laws and regulatory requirements.
- Protection of any confidential or inside information relating to the firm and its clients.
- The extent to which the service provider must comply with the firm's policies and procedures, including personal account (PA) dealing. The firm may provide the service provider a copy of this policy subject to prior approval by the Head of Compliance.
- Maintenance of a record of all PA dealing requests by the service provider, which is made available to the firm to inspect upon request.
- Provision of appropriate management information, as agreed in advance, on a regular basis to ensure the firm can monitor the outsourced activity.
- Other reporting and notification requirements that the service provider should adhere to.
- The requirement for the service provider to develop and regularly test a business continuity plan for the outsourced activity. The plan and test results should be made available to the firm for monitoring.
- The firm's right to terminate the arrangement and the conditions under which either party can terminate the arrangement (e.g., in instances where the terms of the SLA or where other material provisions of the SLA are not adhered to).

PineBridge recognises that additional complexities arise in the management of outsourcing risk from "chain outsourcing" arrangements. Where chain outsourcing is identified from due diligence, the firm implements monitoring and oversight controls designed to ensure outsourced risks through the "chain" are adequately captured by its process and controls.

The controls for chain outsourcing include:

- Chain outsourcing notification requirements set out in the SLAs established with the service provider;
- Incorporating chain outsourcing risks, controls, policies, procedures, and governance considerations in the firm's due diligence;
- Periodic calls and meetings held with the representative(s) responsible for outsourcing at the service provider.

Research provider oversight

While the firm's investment and research output are conducted primarily in-house, the PineBridge investment teams hold monthly broker data meetings to review all research providers for quality of service. Each research provider is assessed first internally, and subsequent feedback is discussed directly with the research providers.

Where the firm outsources functions related to the investment service of client portfolios to a service provider located in a third country, the firm ensures that the following conditions are satisfied:

- the service provider is authorised or registered in its home country to provide that service and is effectively supervised by a competent authority in that third country;
- there is an appropriate cooperation agreement between the competent authority of the investment company and the supervisory authority of the service provider.

Proxy voting service provider oversight

To effectively discharge our fiduciary duty to exercise shareholder voting rights, PineBridge has developed proxy voting policies, procedures, and custom guidelines to align with our assessment of material ESG risks. The custom guidelines are reviewed and updated periodically to align with our ESG philosophy, including in key areas, such as board membership and independence, executive remuneration, and climate change policy.

PineBridge has engaged a third-party vendor (ISS) to advise and assist us in developing our custom guidelines, enabling us to review peer information and leverage best practices, and then to administer proxy voting on our behalf, thereby leveraging operational efficiencies.

At the end of each proxy season, the firmwide Stewardship Committee and portfolio management teams review the voting record to ensure consistency with the stated guidelines and completeness of votes cast. In certain instances, portfolio management may need to apply their specialised knowledge of the facts and circumstances beyond just the prescribed voting guideline. The Committee reviews these step-outs at least annually to ensure that portfolio managers in such events remain consistent with PineBridge's voting philosophy and are acting in the best interests of our clients.

As referenced in *Principle 2: Governance, resources and incentives*, the Stewardship Committee is responsible for defining and monitoring our proxy voting strategy and process. The Committee – which includes members of Investment, Compliance, Legal, Product, and Business Development teams – meets with ISS annually to conduct a review of its voting recommendations versus peers. These annual meetings cover a range of issues, including macro and regulatory trends, policy updates, and peer analysis, as well as corporate developments, followed by a detailed discussion of specific issues, which informs our review of the proxy voting guidelines for the upcoming season.

While the annual review assesses the proxy vendor's adherence to voting guidelines and thoroughness of implementation, it is often a time to get its advice on new topics that will emerge for the coming voting season and to discuss how the investment community's thinking on various issues is evolving. We evaluate ISS's suggested voting guidelines and consider whether they are appropriate given our values as a firm and approach to stewardship, and if not, we provide custom guideline(s) for PineBridge. The annual review provides a good opportunity to review the quality of the proxy vendor's research staff. We evaluate other vendors periodically to ensure our current vendor choice remains best-in-class.

Additional controls and audit

PineBridge engages a service organisation to perform a range of functions, including pricing, custody, administration, collateral management, and sub-advisory services to support our investment management

operations. We also use vendor services to provide IT solutions (application hosting, application maintenance, and change services, etc.). PineBridge performs research and due diligence before entering into relationships with any such service provider, including evaluating various key factors to assess their compatibility with PineBridge operations. For instance, before engaging with a third-party vendor for administration services, PineBridge performed detailed due diligence of available service providers to ensure they met our requirements, taking into consideration factors including the value, scope, and coverage of their services.

PineBridge closely monitors relationships with service organisations and vendors and reassesses them periodically. We review their SOC-1 reports annually to assess the design and operating effectiveness of the service organisation or vendor's control environment. PineBridge also reviews the Vendor Assessment Questionnaire (VAQ) that we require key vendors to complete annually. Issued by PineBridge, this questionnaire is a self-evaluation of the information technology and business risks associated with conducting business with a third party or vendor. PineBridge also receives and reviews the Key Performance Indicators (KPIs) of the controls performed by the critical vendors and conducts periodic service review meetings with key vendors to discuss outsourcing service activities and address any key questions or concerns.

When concerns arise about the level of service provided by a service organisation or vendor function, based on review of KPIs, information provided in the VAQ or SOC-1 reports, or by any other means, PineBridge will engage with the provider and may begin the process to evaluate other service providers.

PineBridge has a Standards for Attestation Engagements No. 18 (SSAE 18) SOC-1 report issued by Ernst & Young. The report covers the suitability of the design and operating effectiveness of controls for the outsourced functions and vendors. We recently issued a clean SOC-1 report with no material findings for the period covering 1 October 2023 through 30 September 2024.

We maintain custom policies with our third-party providers. For more information, please refer to *Principle 12: Exercising rights and responsibilities*.

UK Modern Slavery Act 2015 (the "Act") supply chain review process for PineBridge Investments Limited (PBIEL) and PineBridge Benson (PBBE)

Background
PBIEL and PBBE are dedicated to maintaining and improving our practices to support the protection and advancement of human rights and to combat slavery and human trafficking violations related to our own operations, supply chain, and services. Any abuse of human rights, including slavery, human trafficking, and child labour have no place in our organisation or our supply chain.

Part of this pledge entails compliance with relevant regulation and policy. We are committed to addressing the requirements of the UK Modern Slavery Act 2015 and ensuring that our supply chain is compliant with the regulations.

Objective
As part of this commitment, we conducted due diligence on the supply chain in an effort to create a culture of transparency concerning the supply of goods and services to us. The objective was to assess the risk of slavery and human trafficking taking place within our supply chain and manage that risk.

Methodology
The due diligence review was structured into core elements as outlined below:

- Review of all invoices paid relating to PBIEL and PBBE for 2023 in order to determine a full list of entities supplying goods and services to the companies.
- Risk assessment of supply chain.
- Submission of questionnaires via email to selected high-risk suppliers.
- Assessment of responses provided.
- Report to the Board.

Review of invoices

The finance teams at PBIEL and PBBE were engaged to provide details of all invoices and entities paid for the year ended 2023.

The details were initially filtered to include only UK entities and those whose payments over the course of the year amounted to >GBP 5,000.

They identified 109 entities as in-scope. Duplications in identified suppliers were eliminated as part of the initial review process and these in-scope suppliers progressed to the risk assessment stage.

Risk assessment

The risk assessment took place in stages as outlined below:

- Website review for modern slavery policy and statement
- RAG rating for industry segments

Website review

All in-scope suppliers had websites reviewed for details relating to the UK Modern Slavery Act. Where a supplier provided confirmations regarding their adherence to the Act, these details were stored, and the entity deemed compliant for the purposes of the companies' due diligence requirements. The review found 92 suppliers were out of scope and marked for further follow-up after this assessment.

RAG rating

A red/amber/green rating as outlined below was applied to all remaining suppliers to identify high-risk categories. This categorisation was on a best-efforts basis and agreed upon by the team engaged to perform due diligence.

RAG Rating	Industry Type
	Services
	Recruitment, communications, research, publications, professional bodies, HR, real estate professionals
	Financial, government, legal

Following the assessment, 17 of the remaining suppliers were deemed high-risk and required further follow up. It was established as part of this follow up that 12 had no statements on their website and one had wound down its relationship with PineBridge.

Submission of questionnaires

Email questionnaires were issued to each of 17 remaining in-scope suppliers. Suppliers were requested to provide confirmation that they agreed to the following statements as part of the oversight process:

- In compliance with (and you shall ensure that your sub-contractors comply with) the Modern Slavery Act 2015;
- You also undertake, warrant, and represent that you shall implement appropriate due diligence procedures for your own suppliers, sub-contractors, and other participants in its supply chains to ensure that there is no slavery or human trafficking in its supply chains; and
- You agree to notify us and confirm the same promptly in writing immediately upon discovering any breach or potential breach of the Modern Slavery Act or any actual or suspected slavery or human trafficking in your supply chains.

Emails were issued on 19 April, 22 April, 24 April, and 26 April 2023.

Assessment of responses provided

All suppliers contacted provided the confirmations as requested. No further actions were required in relation to the responses.

Report to the Board
Confirmation of the steps taken as part of this review will be provided to the Boards of the companies.

Additional actions
Beyond the above review of suppliers, additional actions have been taken for the continued oversight of delegates and outsourced service providers.

At a group level, due diligence carried out via Venminder, an online portal for vendor assessments, includes a section on modern slavery, and all service providers are required to provide details regarding their obligations and undertakings relating to the Act.

For EMEA, both upfront and ongoing due diligence questionnaires have been updated for all delegates and service providers to include a section on modern slavery. Both upfront and ongoing oversight taking place requires this section to be completed as part of normal due diligence requirements. Reviews will be carried out in line with the applicable outsourcing policy.

Review and storing documentation
An annual review of this process will be carried out.

All documentation pertaining to the review outlined above, including confirmations provided by each supplier, has been saved to Syncplicity, a file sharing and synchronisation solution. Documentation can be accessed or retrieved upon request to the Legal or Risk departments.

All documentation pertaining to oversight of delegates and service providers has been saved to local networks and is available for review via the Risk department.

Service Provider Examples

Situation: Partnering with our current production support vendor on a Tidal Automation upgrade and implementing expanded cloud services integration and SLAs around service monitoring of all PineBridge's enterprise jobs across Development Operations environments.

Context and Outcome: In 2024, PineBridge partnered with its third-party production support vendor to enhance monitoring protocols across the firm's Development Operations environments. We upgraded and integrated a unified workload automation platform with our ServiceNow cloud-based platform, streamlining operations and improving efficiency. The PineBridge team encouraged the vendor to creatively extend the use of Tidal for automating critical investment process jobs and expand monitoring to include not just our production, but also development and quality assurance environments.

This effort resulted in broader oversight of critical enterprise jobs, including data file loads supporting downstream investment processes, and improved automation and statistical reporting for managing our Development Operations framework. Before we brought on this vendor, the PineBridge Technology team undertook an extensive due diligence process of evaluating our existing vendor against forward looking evolution in our processes and capabilities, ultimately selecting a vendor capable of taking these services to the next level. These enhancements to capabilities are important foundational prerequisites in continuing to evolve and improve our stewardship of assets for stakeholders. Throughout this initiative, PineBridge demonstrated strong oversight and set clear outcomes and expectations for the vendor resulting in enhanced capabilities that support our key investment processes.

Situation: Throughout much of 2024, we partnered with an innovative carbon accounting platform service provider to develop a comprehensive corporate carbon footprint solution capturing PineBridge's own carbon footprint as part of its decarbonisation journey.

Context and Outcome: As part of our commitment to ensuring service providers meet our specific needs, PineBridge has closely engaged with and overseen the third-party vendor in developing our corporate carbon footprint. Given the challenges in data collection and consistency, the lack of standardised reporting, and the complexity of measuring Scope 3 emissions, PineBridge's Corporate Responsibility Team has provided essential oversight and collaboration with the vendor to enable this. This has allowed the service provider to establish an

achievable framework and assist in collecting and normalising necessary data inputs and core assumptions to arrive at a viable corporate carbon footprint solution.

To shortlist the selected vendor as our carbon accounting platform, we implemented a thorough due diligence process. This involved extensive research to identify industry-leading solutions. We subsequently shortlisted three platforms and conducted detailed presentations and demonstration sessions with each of them to evaluate their functionality, experience, and assessment methodologies. Then, based on the comparative assessment of various parameters, we shortlisted the vendor we ultimately selected.

This oversight and partnership have led to the successful completion of another key milestone in our sustainability and decarbonisation journey.

Situation: During the second half of 2024, PineBridge responded to a complex regulatory mandate in Europe that impacted operations in two jurisdictions (Ireland and Germany) that we conduct business in. The mandate was the Digital Operational Readiness Act ("DORA") which came into force in 2023 following a rise in escalating cyber risks and incidents across the financial services sector. The Act is effective from 17 January 2025 onward. PineBridge undertook both a gap analysis of our existing ICT infrastructure against the new DORA requirements, as well as purchase of a register service allowing the firm to electronically track inventory, and update and submit to regulators the manifest of critical service providers going forward.

The finance sector is a target that adversaries never leave alone, consistently ranking as one of the top sectors victimised by cybercriminals. In 2023, it faced sophisticated attack campaigns from notorious ransomware groups such as LockBit, ALPHV/BlackCat, and Cl0p. LockBit alone was responsible for 24% of total ransomware attacks, committing 1,047 successful breaches, while ALPHV and Cl0p targeted 445 and 384 victims, respectively.

In response to these escalating cyber risks, the European Union introduced DORA. This legislation aims to establish a unified framework for Information and Communication Technology (ICT) risk management, incident reporting, resilience testing, threat intelligence sharing, and third-party risk management. It requires that financial entities and their critical third-party technology service providers adhere to stringent technical standards in their ICT systems by 17 January 2025.

As part of this important effort, PineBridge brought in a third-party vendor to assist the firm in moving into compliance with the new regulatory requirements. As part of baseline fundamental due diligence protocols, the firm screened four separate vendors before selecting and onboarding a new one. This well-defined PineBridge due diligence framework (RFI/RFP, questionnaire, scored evaluation) was strengthened even further as the vendor was also designated as a 'Delegate' (an external entity that we choose to outsource or 'delegate') an important, ongoing function – triggering an additional level of due diligence around vetting and monitoring. For PineBridge's Irish and German entities, we will need to continue submitting a register to both countries' regulators with an inventory of our ICT critical service providers.

Context and Outcome: A well-defined process around vendor evaluation, monitoring and feedback has allowed PineBridge to meet the regulatory deadline with our ICT registers being accepted by both regulators without being sent back with error or issues. The outcome of this robust due diligence and vendor monitoring process resulted in a successful outcome without impacting our operations in either of these countries.

Situation: The principal activity of third-party Administrative Agents is to act as administrator for collective investment schemes. The Administrative Agent is responsible for performing the day-to-day administration of funds and for providing fund accounting for the funds, including the calculation of the Net Asset Value and the Net Asset Value per Class Unit, and for providing registration, transfer agency and related services to the funds.

PineBridge appointed State Street as our global partner, responsible for back-office activities for all Fixed Income and Public Equity portfolios. State Street supports our Equities and Fixed Income platforms with:

- Post-execution trade confirmation and settlement
- Corporate action processing
- Record keeping
- Reconciliations

- Performance measurement

PineBridge relies on State Street Enterprise(tm) Portfolio Record Keeping System (RKS) for all investment accounting in a portfolio. Common business processes performed with this application include setting up security information, setting up a portfolio, entering transactions, viewing position information, pricing, checking returns and calculations, reconciling balances with a custodian, and basic reporting.

State Street Investment Management Services ("State Street IMS"), our operations provider, reconciles all cash accounts and Security holdings on a daily basis and delivers an exception report to PineBridge. Each custodian delivers standard SWIFT messages to State Street IMS for all cash transactions.

PineBridge maintains a middle office function internally to support client reporting, performance measurement, technology platforms, commingled fund management, as well as oversight of the back-office service providers in each of our regional operational hubs: the Americas, Europe and Asia.

Context and Outcome: The activities of State Street are monitored daily by the various support teams globally through reconciliations, regular calls, meetings and project plans. Where required, monthly error logs are prepared for any material issues that arise, which also includes appropriate corrective action to be taken to prevent a recurrence of any issues.

PineBridge carries out periodic site visits to State Street offices to review controls, processes and procedures and, where necessary, suggest additional controls. Daily and weekly calls, monthly meetings, project plans and stale price reviews are additional measures to ensure that the administrative function is to a high standard. Key Performance Indicator (KPI) reports are constructed and reviewed to maintain high service levels.

Situation: In 2024, PineBridge upgraded its subscription with a third-party data vendor to continue to evolve and enhance our internal sustainability and ESG data consumption, analytics, and reporting capabilities, via a new platform offering.

Context and Outcome: During this project, multiple PineBridge teams coordinated with the third-party data provider to create an implementation plan, including testing protocols, to upgrade to the new platform. Over the course of several months, PineBridge engaged with the data provider to address problems surrounding data accuracy, availability, and consistency. Initial testing by our Technology team found failures in multiple areas, including gaps in the provider's processing of the data, lack of documentation, and severe inaccuracies in the data outputs. These issues from the provider would affect the quality and reliability of the data and analysis from the product, presenting potential operational risk to the firm.

Due to PineBridge's established framework and protocols for overseeing operational risk, along with policies and procedures for managing third-party risk, these matters were addressed with the vendor via senior management. PineBridge worked with the vendor to implement necessary changes to its execution, ensuring the program met performance and delivery expectations.

Ultimately, PineBridge's internal controls and policies for escalation, operational risk management, and vendor oversight led to improvements in the data providers' technology, platform capabilities, and testing procedures for the new application. PineBridge's detailed supervision of this engagement highlights our commitment to robust due diligence processes, ensuring the quality and accuracy of third-party products and services, directly aligning our fiduciary responsibilities to our clients.

Principle 9: Engagement

At PineBridge, we believe change drives investment performance, and our role as active managers is to nurture change through corporate engagement to enhance investment results.

Stewardship is a vital aspect of managing assets on our clients' behalf, and it is an important component of ESG incorporation that benefits both PineBridge and the companies or entities in which we invest. We believe that an ongoing open dialogue with our investee companies is an effective way to drive positive change, encourage transparency, and ultimately promote and participate in sustainable long-term value creation. As high active share investors, we seek investment in companies that seek to improve various aspects of their performance, including their ESG frameworks.

When we refer to engagement, we mean purposeful, targeted communication with an entity (e.g., a company, government, industry body, or regulator) on particular matters of concern with the goal of encouraging change with an individual issuer or addressing a market-wide or systemic risk (such as climate change). Engagement is a two-way dialog with the management team in which we give advice that requires management action to improve the company's sustainability. While we treat regular communications to gain information as part of our ongoing research or investment due diligence, and in turn as part of our ESG incorporation and stewardship activities, we do not categorise such communication as engagement, per se. Engagement is undertaken to improve ESG risk management, which may allow for the development of more sustainable business practices.

Identifying priorities

A company's board and management can influence nearly all aspects of the business and are key to our assessment of a company within our due diligence frameworks. Encouraging improvement in corporate governance through engagement is a key aspect of our investment philosophy and process, which looks for the sustainability of a business over the medium to long term to generate superior investment returns. While our investment teams' mechanisms for such engagement necessarily vary across asset classes, we believe these discussions can draw management attention to relevant issues that are important to the investment community. As a globally based and well-connected team of investment professionals, we harness information on best practices from around the world and across our firm to promote targeted improvements in corporate governance. We've found that many management teams (certainly those we seek to invest in) appreciate this form of feedback, which may encourage companies to continue with current practices or at times advocate for change. Our firm's breadth and global reach make it possible to collaborate across our investment teams, sharing knowledge spanning the world and across industries.

Our investment due diligence frameworks fully integrate ESG analysis in an end-to-end process as described in *Principle 7*. Because no company is likely to get top marks across all the various assessment criteria, a key aspect of our due diligence framework is to identify ESG items that need improvement or better disclosure. We do not assign a hierarchy of emphasis or prioritise certain items in our due diligence framework. Each situation is different, and our investment professionals need to appreciate this to gain respect in our engagement. We do, however, take special note of the materiality of various issues by reference to the SASB Materiality Map, a recognition that materiality varies greatly by industry.

As climate change is a firmwide priority, we have retained ISS's customised climate service. This service helps to identify portfolio holdings where the current state of being is not at an acceptable level and where management does not appear committed to an improved path and provide material disclosures that can be tracked to help us evaluate these situations. This is one of the many ways we ensure that we are actively engaging with portfolio holdings that may not be measuring up to the original investment thesis.

Our approach

Engaging with companies in a dialogue with the objective of encouraging change can enhance our (and the capital markets') understanding of the business while helping management better understand evolving investor expectations. As stated in *Principle 1,* our engagement approach aims to better understand how companies plan to address ESG factors.

As outlined in our firm's Stewardship and Engagement Policy, we follow a four-step approach in our engagement process:

1. Identify opportunities. We identify engagement opportunities based on the most material and salient issues flagged as part of our continual bottom-up analysis and our top-down ESG themes. We prioritise engagement based on the scale of our holdings of the underlying securities, the materiality or salience of the ESG concerns, and our exposure to those concerns.

2. Set objectives. We formulate clear, distinct, time-bound, and measurable engagement objectives in line with our engagement themes to guide discussions.

3. Select method. We define the most suitable engagement method and engagement plan depending on the engagement objective(s). These methods are more fully described in our Stewardship and Engagement Policy, but in essence they comprise: verbal or written communications, in-person meetings, proxy voting, and collaborative engagement.

4. Record progress. We document our engagement activities, progress made, and any follow-up actions needed in proprietary ESG research & engagement portals, allowing us to measure progress over time and facilitate information sharing between teams through our cross-asset class engagement portal.

Our Equities Risk Assessment process focuses on risks to a company's sustainability, including ESG-related risks. In doing so, we are less focused on the current situation and more focused on the trend and visibility into future improvement. When we identify a risk that we do not believe the investee company is adequately addressing, we choose to engage with it. We believe we are ideally positioned to serve as ESG advocates for our clients through our engagement process. Our deep due diligence and strong relationships with company management teams ensure that we can have a productive dialogue about these issues. Our medium- to long-term holding periods enable us to track company progress against the engagement goals over the proper time frame. Additionally, we meet with approximately 2,000 companies a year across our Equities platform, so we can typically communicate best practices for a target company's peer group.

We believe in quality over quantity when it comes to engagement. We only choose engagement topics that are either key to the investment case or relate to our PineBridge ESG priorities, and where we see clear potential for improvement. We do not perform engagement for engagement's sake, but rather to further a sustainability goal that should result in stock price appreciation when it is recognised by the market.

In Fixed Income, we view the evaluation of ESG risk factors and issuer engagement on ESG as vital aspects of our commitment to responsible investing. To determine which factors are most relevant to each industry and to better evaluate ESG issues, we have developed a proprietary set of KRIs that align with the Value Reporting Foundation/SASB financial materiality guidance. Engagement helps us evaluate management's handling of ESG risk issues and how changes to address these risks affect an issuer's ESG risk profile. As part of our review, analysts engage with issuers via one-on-one calls, conference meetings, direct outreach, and new-issue marketing opportunities. Issuers may also be identified as engagement candidates based on outcomes from ongoing internal credit reviews. Engagement with issuers helps analysts better understand companies, improve ESG disclosure, enhance the management and mitigation of financial risks, and promote positive sustainability outcomes.

ESG is integral to our risk analysis and is embedded in our investment process. We believe that open dialogue on ESG with the management teams of our investment universe provides an effective way to improve ESG disclosure, encourage transparency, mitigate risks, and drive positive change. We identify known risk factors for an issuer, determine management's commitment to ameliorating those risks, and track actions and expenditures that have been committed to and over time. Strong governance also drives both financial and societal value. Effective management and board oversight, strong ethical standards, continuous business and strategy improvements, and the protection of investor rights accompany a culture that promotes accountability, favours prudent risk management, encourages employee engagement, and the creation of organisational value.

In Multi-Asset, the Global Multi-Asset Team (GMAT) actively engages with managers (who themselves engage with their company holdings) when we implement with active management, and with investee companies when we implement passively. The GMAT understands that the more passive the selection of securities, the more active their engagement must be.

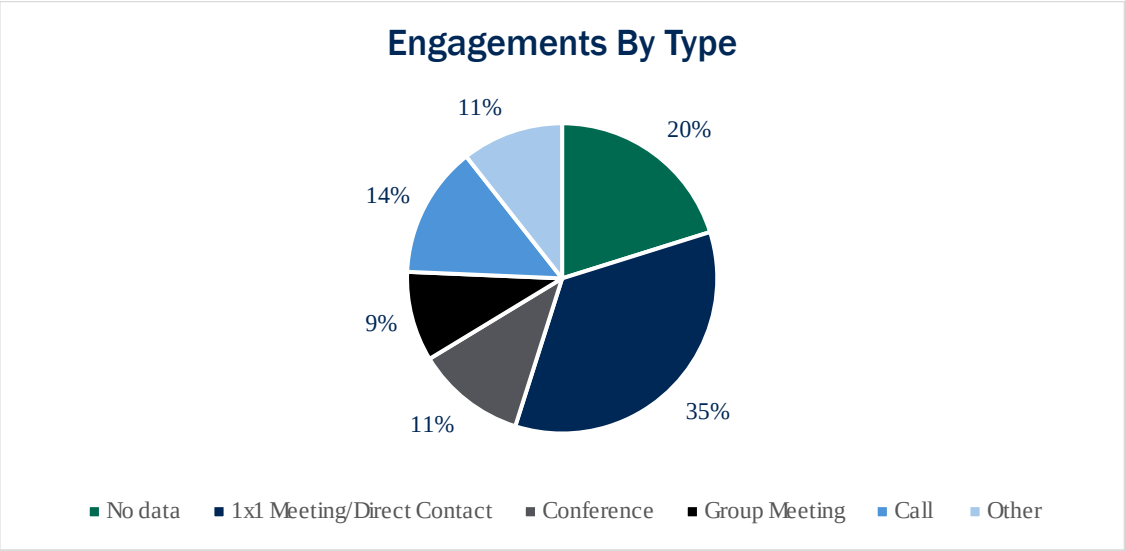
When we implement with active management, GMAT's Manager Selection team engages with the manager at least quarterly to review the integration of ESG into security selection, as well as engagement activities. In addition, the Manager Selection team identifies underlying holdings that are not improving regarding carbon intensity or Board gender diversity or have UNGC violations, if any, and discusses these companies with the manager as well.

For passive implementation, we identify companies using MSCI data that are not improving regarding PineBridge's ESG themes, primarily carbon intensity, board diversity, and human rights/modern slavery, as well as any companies in violation of social norms as defined by the UNGC. We engage first, vote our proxies to drive ESG improvement, escalate when sustained engagement is not effective, and will divest from a security when we determine that the company is not committed to improve its ESG characteristics. The engagement process overall unfolds over a multi-year period, driven by demonstrated improvement and our forward-looking assessment of management commitment and improvement.

For Private Equity assets, the firm's investment teams actively engage with portfolio company management teams on PRI and ESG issues throughout the investment process. In addition, where the investment team obtains Board positions through its investment activity, it actively engages with management and other directors to proactively address PRI and ESG opportunities and risks. For private credit assets, the investment teams closely examine issuers with adverse internal ESG scores or with meaningful exposures to sectors that may be perceived to have unfavourable E, S, or G characteristics. We periodically reevaluate the ESG scoring via passive and active monitoring, including direct lines of communication with the borrower and/or management team, as necessary.

How we engage

As mentioned, when we refer to engagement, we mean purposeful, targeted communication with an entity (e.g., a company, government, industry body, or regulator) on particular matters of concern, with the goal of encouraging change with an individual company or addressing a market-wide or systemic risk). Engagement is a two-way dialog with the management team where we give advice that requires management action to improve the company's sustainability. We engage in various ways (as shown below), which we have started to track more closely.



Source: PineBridge's internal research platforms. Fixed Income Credit Analysis Platform (CAP), Multi-Asset Portal (MAP), Equity Platform for Investment Communication. (EPIC). As of 6 August 2025.

Identifying opportunities for engagement

The four-step approach of our Equity engagements, described above, starts with the identification of material aspects in the investment case that would benefit from engagement to nurture change. As mentioned earlier in this report, each asset class necessarily has a different approach towards engagement. For example, Equities has the power to wield its proxy vote as escalation, whereas Fixed Income does not.

In Equities, we take the view that engagement is about improvement in any materiality item, and it should not be confined to only the below-median scoring items in our 68-point due diligence framework called Equity Risk Assessment (ERA) but should extend to even those items that have above-median scores in ERA that could be further improved. This is a key distinction from most asset managers since the common approach towards engagement is to focus narrowly on below-average areas of the current state of a company as identified by ESG data vendors, which in many cases may even be the result of a misunderstanding of a company, as we have found in several instances where we have done in-depth due diligence.

Our engagement process focuses on materiality items that truly affect the investment case, as well as on our chosen priorities as a firm on emissions reduction, diversity and inclusion, and human rights. For non-materiality items, we could raise these issues with management during our regular discussions, but since they are not material, we do not consider these discussions to constitute engagement. To identify materiality, we rely on the specialist knowledge of a company of our investment professionals. They have the freedom to choose any of the 68 data points (or the aggregation of the Level III data points into Level II or Level I within ERA) as materiality items rather than relying on industry level materiality identification from external bodies, which we have found to be too general for practical purposes.

We also take the view that engagement should not be a new arms race in the asset management industry but should be a careful, model-based due diligence approach, focused on materiality that truly has the power to improve the investment case in the company. Once we have identified the areas for engagement, we develop the engagement plan as set out above in steps 2 to 4.

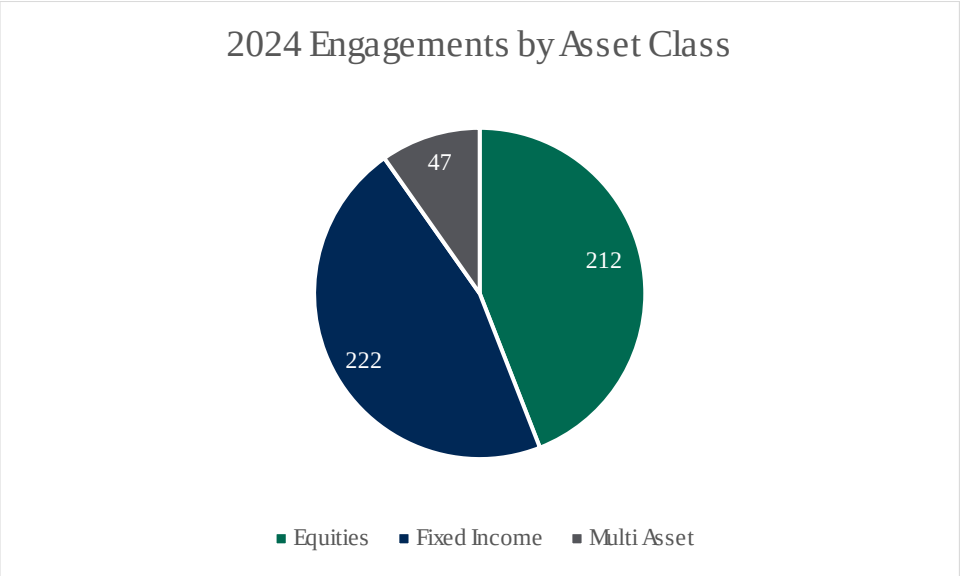
We have engagement plans that are ongoing. Please see the examples section of this principle below for one notable example in Japan where we have engaged with a factory automation components supplier since 2021 to improve Scope 1, 2, and 3 emissions disclosures and set GHG reduction targets.

When bilateral engagement finds its limits, we will often discuss the relevant issues in large group meetings with the company and its top shareholders. We may also write to the board of a company expressing our viewpoints. In Equities, for instance, we exercise our shareholder rights on behalf of our asset-owning clients, ensuring that our investment philosophies are expressed through proxy voting policy customisation on key issues. In Fixed Income, we believe it is important to maintain relationships with all issuers under active coverage. Our analysts have regular contact with company management teams and generally meet with each company one to three times per year at on-site visits, investment conferences, issuer roadshows, and other venues. We take an active approach to engaging with management teams on the ESG issues that are most relevant to the issuer's financial and operational sustainability. Although Fixed Income investors do not have Equity voting rights, we have found that active engagement of bondholders can be effective in promoting increased awareness and responsiveness to ESG risks.

Our engagement reporting journey

In 2024, PineBridge continued to improve our proprietary cross-asset class engagement tool. This resource captures engagement data on sustainability themes from each asset class's proprietary database and centralises the data in a portal, allowing us to filter through engagements categorised by our prioritised themes to enable insights by commercial initiatives, asset classes, countries, sectors, industries, and analysts. The ability to identify names held across asset classes and collaborate among our teams to engage with those companies to improve risk management further helps us create value for our clients. This tool helps our investment teams to create and further both their investment theses and their ESG analysis processes while providing a wide lens to compare standardised metrics, with the aim of conducting impactful engagements. This tool gives us the ability to track engagements based on these issues and track progress across multiple engagements and teams.

In 2024, the firm had 481 documented engagements with companies in over 40 countries across the three primary asset classes, as shown below. Detailed engagement examples for the asset classes follow.



Source: PineBridge's internal research platforms. Fixed Income Credit Analysis Platform (CAP), Multi-Asset Portal (MAP), Equity Platform for Investment Communication. (EPIC). As of 6 August 2025.

Engagement examples

Cybersecurity risk and mitigation for a US telecommunication provider

Asset Class: IG Fixed Income

Country/Region: United States

Company Description: Telecommunication

Engagement Method: One on one meeting with the management

Engagement Topic: Cybersecurity (Governance and Social risks)

Engagement Objective: Obtain details on risk mitigation for cyber attacks

Engagement Overview: PineBridge's meeting with the Head of Investor Relations and some of the finance executives focused on a general review of operational strategy, as well as capital structure strategy and potential M&A. Participants talked about the significant data breach from 2021 and the 2023 API Breach and how the company is managing these risks. It has implemented several measures to protect data and mitigate cyber risks. They have invested in advanced cybersecurity technologies and practices, including adopting zero-trust architecture and phishing-resistant multi-factor authentication. They have worked with top cybersecurity firms like Mandiant to investigate breaches and close-off access points used by attackers and the CIO provides regular reports to the board on the company's cybersecurity posture and business risks. The company discussed their evolving approach to ensuring data security is paramount but acknowledged the ever-increasing sophistication of the bad actors and the need to continuously invest in cyber security to stay ahead of them.

Outcome and Next Steps: PineBridge believes this sort of engagement keeps issuers alert to investors' concerns about this type of risk. The answers provided by management were considered satisfactory. PineBridge will continue to monitor the company.

Promoting a more supportive policy of emission reduction in a US Midstream company

Asset Class: IG Fixed Income

Country/Region: United States

Company Description: Midstream Energy

Engagement Method: Conference events (2 events)

Engagement Topic: Targets around GHG emissions

Engagement Objective: Understand possibility of targeting reductions in GHG emissions or more aggressive methane reductions

Engagement Overview: The IG team met with senior executives of a mid-sized Midstream firm focused on gas processing, natural gas liquids fractionation and the transport and export of such hydrocarbons. The conversations with this management team are on-going and focused on the underlying strength of the business, organic investment opportunities (which have been significant in recent years) and modest sized acquisitions. The team focused on upcoming NGL pipeline recontracting, growth capital plans and thoughts around economics of dealing with callable bonds and or preferred equity in a variety of macroeconomic scenarios. PineBridge met with the management team a few times during FY'24 and largely focused the discussion on capital allocation, particularly when it comes to spending on new project opportunities. PineBridge consistently expressed the view to management that they should carry financial leverage in the lower end of their target range and would benefit from discussing that with the market, beyond their stated desire to live in the lower half. Capex spending would be more believable with a lower targeted range. During the course of our meetings in 2024, the capital spending targets moved from just over $2B in '23 to ~$2.5B and then further expanding to $2.5B after an earlier expressed confidence in stepping down to $1.7B in 2025 and further beyond. In conjunction with the strategic updates, PineBridge commended the company for reporting robust emissions (and broad ESG related) data, but noted the lack of specific emissions targets outside of its methane target related to participation in the One Future Coalition. The IG team noted that PineBridge viewed the participation in One Future as notable, but that the targets were set seemingly without a lot of rigor (given that members largely meet targets). The issuer noted that it will only set targets for the company that are aligned with its strategy of creating shareholder value, where targets are credible and can be supported by a plausible roadmap for achieving. The issuer will continue to report Scope 1-3 and will consider whether it makes sense to target specific reductions (beyond methane).

Outcome and Next Steps: PineBridge will continue to monitor and engage with the company, who were clear in what would drive them to provide additional disclosure/targeting.

Working with an issuer around missing ESG information

Asset Class: High Yield Fixed Income

Country/Region: United States

Company Description: Independent Oil & Gas Production

Engagement Method: In-person meeting

Engagement Topic: Environmental disclosures

Engagement Objective: Encourage the issuer to adopt and disclose environmentally conscious programs

Engagement Overview: The HY team engaged with a Houston-based oil and gas exploration and production company. The company's public disclosures lack information on 1) programs to reclaim disturbed sites and mitigate risks of ecosystem disturbance, and 2) toxic effluents data. PineBridge requested information on how the company approaches these topics and encouraged the inclusion of incremental disclosures in the company's public materials.

Outcome and Next Steps: Management responded constructively. They explained that the company minimises impacts to disturbed sites by optimising their footprint, drilling and reservoir development. They also deploy reclamation activities to abandoned wells that meet regulatory and landowner expectations. Regarding pollutants, the company has established and disclosed targets to reduce carbon dioxide and methane emissions, the key pollutants in the industry. They have procedures in place for managing hazardous and other regulated waste and are considering public disclosures around that in the future.

Seeking progress on Scope 3 emissions and a net zero commitment

Asset Class: Equity

Country/Region: United States

Company Description: Global provider of technology products and services for the rail industry

Engagement Method: Video meeting

Engagement Topic: Lack of 2050 net zero commitment

Engagement Objective: Progress towards addressing Scope 3 emissions

Engagement Overview: In December 2024, we began engaging with a company in our portfolio that is a global leader in technology products and services for the rail industry. Wabtec has set an aggressive Scope 1 & 2 interim emission intensity reduction target of 50% by 2030, and we see a clear line of sight for them to achieve this, with detailed action plans including solar installations and alternative to gas powered steam boilers at certain plants. Despite this, Wabtec has not committed to being aligned with net zero by 2050. The issue is that full alignment according to third parties, such as SBTi, requires alignment on Scope 3 emissions as well, and Wabtec does not feel comfortable committing to this as it requires actions by their customers that are out of their control. While we agree with Wabtec's cautious approach to long-term net zero commitments given this constraint, we asked the company for further detail as to how they plan to handle this Scope 3 issue. This could include stating that they commit to being aligned with net zero on Scope 1 and 2 emissions only.

Outcome and Next Steps: Over the course of the next year, we will continue to engage with the company to ask them to commit to Scope 1 and 2 emissions intensity being aligned with net zero by 2050 or have a detailed explanation for why they cannot. The engagement remains open as we await progress on this front.

Seeking better environmental disclosures with a focus on carbon emissions and plans for improvement

Asset Class: Equity

Country/Region: Japan/Asia

Company Description: Japan-based factory automation components supplier

Engagement Method: Visiting company/telephone conference call

Engagement Topic: Better environmental disclosures and announcement of GHG reduction targets

Engagement Objective: Let the company disclose Scope 3 data and GHG reduction targets

Engagement Overview: The company is identified as a laggard as it did not disclose its Scope 3 data of GHG emission and GHG emission reduction targets. Given the company's fabless business model, it is difficult for it to grasp Scope 3 GHG emission volume, so the company was reluctant to work on it before 2021 despite our engagement. Related to that, it is reluctant to announce its GHG emission reduction targets, either.

The company started to comment on its preparation of Scope 3 disclosure in 2022. We discussed how other companies disclose Scope 3 using various assumptions to calculate Scope 3 disclosure. Showing signs of progress, the company is now thinking towards 1) collecting and disclosing Scope 3 data, and once it discloses Scope 3 data, it is highly likely that it will be asked how to reduce it, so 2) how to reduce Scope 3 emission volume.

Outcome and Next Steps: The company began disclosing its Scope 3 emission volume data (for FY2022 and FY2023) in June 2024. However, it is still reluctant to disclose its GHG emission reduction targets. We continue to engage with the company on setting the GHG reduction targets, as well as GHG emission volume in the future.

Seeking GHG reduction targets

Asset Class: Equity

Country/Region: Japan/Asia

Company Description: Japan-based air-conditioning engineering firm

Engagement Method: Visiting company/telephone conference call

Engagement Topic: Announcement of GHG reduction targets including Scope 3

Engagement Objective: Let the company announce GHG reduction targets with Scope 3

Engagement Overview: We started our engagement in March 2023 in relation to the announcement of GHG reduction targets. The company initially did not want to disclose Scope 1 and 2 reduction targets as it deemed them unimportant given its business model. Although true that Scope 3 emissions are by far larger than Scope 1 and 2 for an air-conditioning engineering firm, we discussed with the company several times the importance of setting Scope 1 and 2 reduction targets for itself.

As for Scope 3, the company remains reluctant to announce its reduction targets as it is very large and there are limited things that it can do given the nature of Scope 3. We discussed with the company a few times that it is important to show the long-term direction.

Outcome and Next Steps: The company announced its Scope 1 and 2 reduction targets in 2023 (-46.2% in 2030 vs 2019 and net zero in 2050). It did not announce Scope 3 emission reduction targets in 2023. However, the company changed its mind and finally announced in July 2024 that it obtained approvals on its 2050 net zero emission targets with Scope 1, 2 and 3 based on 1.5 degree Celsius from SBTi.

Seeking Scope 3 disclosure and targets

Asset Class: Multi-Asset

Country/Region: United States

Company Description: Leading independent producer of carbon-free energy

Engagement Method: Phone call

Engagement Topic: Net zero Scope 3, board diversity, and employee health and safety

Engagement Objective: Advocate for Scope 3 net zero targets

Engagement Overview: The company has made a commitment that owned electricity generation will be 95% carbon-free by 2030 and 100% carbon-free by 2040. Also, the company plans to reduce operations-driven emissions by 65% by 2030 and 100% by 2040. Any emissions that cannot be technologically reduced will be offset. Scope 3 emissions are not included in the above emissions reduction targets.

The company discussed its two key sources of Scope 3 emissions noting that Management has limited control over these sources, and as such, does not believe they are in a position to set any particular goals for Scope 3 emissions at this time. However, the company is planning to undertake a comprehensive Scope 3 materiality assessment within the next two years, identify potential sources of value chain emissions which they might have the ability to influence, and begin to report and set reduction goals for Scope 3 emissions.

The biggest source is Natural Gas sold by the company, which accounted for almost 71% of the total Scope 3 emissions (64% of total GHG emissions). While the company facilitates the deals between the actual gas suppliers and the customers, they do not own, operate, or manage the pipeline. The company does, however, work with the customers to identify cleaner alternatives to natural gas supply wherever possible. They also offer customers carbon credits, carbon offsets, and provide access to carbon removal projects to help customers achieve their decarbonisation goals. The second biggest source is the power that the company purchases from other utility companies on behalf of their customers to meet their needs. Here again, the role is primarily one of facilitating the purchase agreements and deals between their customers and other suppliers.

Employee Health & Safety: Safety is the topmost priority for the company. There were a few accidents early in 2023. Following a safety stand down in their entire nuclear fleet in May of 2023, there was a dramatic performance improvement from June through the end of 2023. Improvement continued in 2024, with a serious injury rate of 0 over the last 12 months. Reporting any injuries/accidents is mandatory and not reporting safely is a violation of the code of conduct.

Board Diversity: The company has 27% of its female directors. Also, the board is actively engaged in succession planning, currently focused on identifying new directors who have the expertise and skillset required to understand the large, complex business.

Escalation: Our assessment following the engagement is that the company is committed and is continuing efforts to improve, particularly with regards to emissions reductions and Scope 3 disclosure. Escalation is not warranted at this time.

Outcome and Next Steps: We plan to monitor the company as it continues on its path to net zero and will engage further as appropriate with regards to its Scope 3 assessment, disclosure, and targets.

Advocating for Scope 3 disclosures and Board composition improvement

Asset Class: Multi-Asset

Country/Region: United States

Company Description: Leading independent clean energy developer and operator

Engagement Method: Phone call

Engagement Topic: Net zero Scope 3, board independence and diversity, and modern slavery

Engagement Objective: Advocate for Scope 3 measurement and disclosure, board independence and diversity

Engagement Overview: The company is a leading player in the renewable energy industry, with a high percentage of renewable energy in its power generation fleet, a strong track record of reducing GHG emissions, and a clear pathway towards further reducing its emissions intensity through investments in renewable energy. By 2035, the company expects that 95% of electricity generated will be carbon-free, and the company will achieve net zero Scope 1 and 2 GHG emissions by 2050. However, the company's intermediate-term goal does not have emissions reduction targets, and there are no targets or disclosures around its Scope 3 emissions.

The company is the end owner of clean energy development projects that are developed by a private company. The private company is the largest shareholder in the company, which has multi-class structure that does not have a reasonable time-based sunset provision. The private company owns the legal risk associated with the projects, as well as the Scope 3 emissions. The company offered that Scope 3 emissions for owned assets are not material to total emissions. The entire enterprise is acting to reshore procurement, driven by the current and Trump administration trade policy, as well as bonus tax credits for domestic procurement under the Inflation Reduction Act. Reshoring will lead to a reduction in Scope 3 emissions due to the elimination of shipping and use of cleaner energy sources.

The company believes in the energy transition and does not expect to face new hurdles under the new Trump administration. President-elect Trump was not anti-permitting in his first administration and there is some bi-partisan legislation around acceleration of permitting that could improve the process.

The company expects to disclose Scope 3 emissions in 2026 for calendar year 2025, subject to the requirements of California's climate disclosure requirements for both the company and the private company.

Human Rights: Reshoring also will mitigate human rights issues, particularly in the solar industry, currently subject to the UFLPA ("Act"). To comply with the Act, the company conducts onsite audits of suppliers to ensure they do not use forced labour.

Board Independence and Diversity: The CEO of the private company shareholder currently also is CEO of the public company, The CEO receives public company stock, with compensation overseen by the Board's independent compensation committee, improving alignment with the company. The Board overall is not independent, with a majority of the Board seats held by employees of the private company. The public company growth is dependent on the private company. With the private company taking on the development risk, they need to have more say, and the public company does not expect the Board structure to change anytime soon, with regards to independence or diversity, which lags peers. We recommended that the Board add diversity language to the Corporate Governance, Conflicts, and Nominating Committee charter and sent sample language from other companies, available in the public domain.

Diversity is better in corporate offices, which tend to be in larger, more diverse metropolitan areas, than in the field offices, which tend to be located in rural, less diverse areas. The company has goals to increase representation of women and people of color in management and implement supplier diversity goals. Additionally, the company was recognised as "Best for Vets: Employers" in 2023 by the Military Times.

Escalation: Our assessment following the engagement is that the company is committed and is continuing efforts to improve, particularly with regards to emissions reductions and Scope 3 disclosure. Escalation is not warranted at this time.

Outcome and Next Steps: We plan to continue to engage with the company to ensure it continues on the path to net zero, follow-up with regards to forced labour supplier audits, and review The Corporate Governance, Conflicts, and Nominating Committee charter for diversity language.

Utility company drives toward 100% clean energy despite regulatory hurdles

Asset Class: Multi-Asset

Country/Region: North America

Company Description: North American utility company which generates, purchases, transmits, distributes, and sells electric energy

Engagement Method: Phone call

Engagement Topic: Net zero commitment and action plans; workplace safety

Engagement Objective: Advocating for net zero commitment and workplace injury mitigation

Engagement Overview: We first engaged with the company in 2022, when it was flagged as a climate laggard due to concerns over upward inflection in carbon emissions as measured by carbon intensity between the 2020 and 2021 period. During our initial engagement, the company explained 2021 emissions were higher than originally projected due to weather conditions - a severe heatwave in 2021 required the company to run natural gas and coal plants that they otherwise did not intend to use. On top of that, a lower-than-average water production year led to less hydropower availability. In 2023, we discussed the company's ambitious long-term goal of 100% clean energy by 2045 with an attainable medium-term goal of reducing carbon intensity by 35% for the period 2021-2025 compared to 2005. We also discussed an increase to the severity rate due to work-related injuries. Our call in 2024 was scheduled to discuss the adoption of a commitment to net zero and report on the progress made on the company's short-, medium- and long-term goals.

Net zero commitment and action plans; transition away from coal powered plants: The company's inability to commit to net zero emissions is largely tied to regulatory requirements in Idaho. State law mandates that utilities return all renewable energy credits (RECs) to consumers, ensuring that ratepayers—who fund renewable energy projects through their utility rates—receive the environmental benefits. As a result, the company cannot claim these credits toward their own carbon neutrality goals. Idaho also lacks a statewide clean energy mandate, and its regulatory framework prioritises affordability and reliability over emissions reductions. Utilities in the state face limitations on making significant investments in renewable energy or grid modernization without regulatory approval, especially if such investments could raise costs for ratepayers. These factors collectively prevent the company from credibly committing to net zero emissions, despite generating renewable energy. Additionally, Idaho does not currently have stringent statewide renewable energy or carbon reduction mandates, unlike many other states. Without these mandates, utilities like the company may face less regulatory pressure to transition fully to net zero operations.

The company has made significant progress in reducing its reliance on coal-generated energy, demonstrating a clear shift toward cleaner energy sources. This year, the company increased its use of hydroelectric power, benefiting from improved water conditions after drought challenges in prior years. Additionally, the company has converted two of its four coal plants to natural gas facilities, a cleaner alternative, and has committed to retiring the remaining two coal plants in 2025 and 2026, respectively. These steps reflect the company's ongoing efforts to transition to a lower-carbon energy mix, leveraging its access to hydro resources and reducing its reliance on coal.

Social – Training, enhancements to safety protocols: The company places strong emphasis on employee development and workplace safety as part of its corporate priorities. The company invests in comprehensive

training programs (Apprenticeship programs, Building Unified Teams) to enhance employee skills and foster professional growth, ensuring its workforce is equipped to meet evolving industry demands.

The company also prioritises safety by implementing rigorous workplace protocols and safety training to minimise risks and maintain a safe working environment. Regular safety audits, incident reviews, and ongoing communication about best practices help reinforce a culture of safety across the organisation. The severity rate is down compared to the previous year and is tracking below the 10-year average. The company also had zero catastrophic injuries or fatalities this year. While no specific new safety measures or protocols were mentioned on the call, the company noted that they are dynamic and forward-thinking on their approach to safety.

Escalation: Our assessment following the engagement is that the company remains committed and is continuing efforts to improve. Escalation is not warranted at this time.

Outcome and Next Steps: Management has been forthcoming and transparent with its approach of achieving 100% clean energy by 2045. Based on the timeline presented and the progress being made toward their goals, it seems reasonably attainable. While there are some factors, such as weather patterns, that may challenge the short- or medium-term goals, the company remains committed to identifying solutions to ensure they remain aligned with their objective. Given the regulatory hurdles, it is not reasonable to expect the company to commit to a net zero alignment. We plan to continue to engage with the company to assess progress towards its clean energy goal.

Technology advancements needed to further emissions reductions beyond 2030

Asset Class: Multi-Asset

Country/Region: United States

Company Description: Leading waste disposal company

Engagement Method: Phone call

Engagement Topic: Net zero targets

Engagement Objective: Advocate for long-term emissions reduction/net zero targets

Engagement Overview: The company currently is on track to achieve its SBTi approved target to reduce Scope 1 & 2 emissions by 35% from a 2017 baseline by 2030, in line with the 2-degree pathway. However, it does not have any long-term targets beyond 2030 because the available technology does not provide a clear path for it to achieve further emissions reduction. In addition, there are no targets or disclosures for Scope 3 emissions. The company does not want to make shallow commitments to further emissions reduction or net zero without being in a position to achieve them. The company indicated that all competitors in this industry are facing this technology limitation issue.

Outcome and Next Steps: The company currently has no emissions reduction targets beyond 2030 and is not aligned with net zero emissions by 2050. We plan to continue to engage with the company to assess its progress toward achieving its 2030 targets, the availability of technology advancements and procurement needed to further reduce emissions and continue to advocate for further commitments to achieve net zero by 2050.

Principle 10: Collaboration

PineBridge believes in ongoing learning and sharing of approaches in our journey to keep improving upon our ESG practices and engagement efforts. We take a collaborative approach to sharing best practices for integrating ESG factors and subsequent engagement practices internally among our various portfolio management teams. We also share and learn with our peers and industry associations when relevant.

Thought leadership and case studies

We explore timely and relevant research topics and regularly author articles on a variety of ESG issues impacting the industry and our portfolios, across Equities, Fixed Income, Multi-Asset, and Alternative asset classes. Internally, we host an annual ESG forum to educate all employees on industry trends and best practices as a firm. Our employees also attend conferences, panel discussions, and other informational sessions on sustainability practices as relevant.

Industry presence

We actively participate in global industry discussions through working groups and formal and informal partnerships to help further progress the ESG conversation. Key activities are highlighted below. Please refer to *Principle 1* for further information on the firm's industry presence.

The SASB Standards Advisory Group (SAG) is a standing committee of volunteer industry experts from corporations, financial institutions, and third parties that provide ongoing feedback on the implementation and use of the SASB standards, as well as emerging sustainability issues to be considered as part of the SASB Standards Setting Process.

The Institutional Investors Group on Climate Change (IIGCC) is the leading European membership body supporting the European investment community in advancing towards a net zero future by 2030. IIGCC provides investors with a collaborative platform to encourage public policies, investment practices, and corporate behavior that address long-term risks, allowing investment managers like PineBridge to act independently based on better information.

As a UNGC signatory and participant since 2021, PineBridge seeks to accelerate and scale the global collective impact of our business by upholding the UNGC's Ten Principles and delivering the 17 UN Sustainable Development Goals for 2030 through investment in accountable companies and ecosystems that enable change. We also take strategic actions to advance broader societal goals, with an emphasis on collaboration and innovation.

The Principles for Responsible Investment (PRI) is the world's leading proponent of responsible investing, seeking to understand the investment implications of environmental, social, and governance factors and support its international networking of investor signatories in incorporating these factors into their investment and ownership decisions. As a signatory of the PRI since June 2015, PineBridge is committed to advancing our responsible investment efforts. We view this as an additional tool to help us fulfill our primary objective as an asset manager: to improve and preserve the financial interests of our clients across our global investment platform by optimising economic returns for a given level of risk.

Collaboration Examples

Fast-food standards on animal welfare

Asset Class: EM Fixed Income

Country/Region: Argentina

Company Description: Fast-food restaurant group

Engagement Method: Collaboration and calls

Engagement Topic: Animal welfare

Engagement Objective: Ongoing engagement with investor coalition to express animal rights concerns

Engagement Overview: As part of our collaboration with a consortium of emerging market investors regarding animal welfare policies, we continued dialogue with a Latin American restaurant operator. In the course of previous engagements, the company had pledged a 100% transition to the use of cage-free eggs by year-end 2025. At year-end 2023, the company had only made 16% progress toward this goal; by the time of our follow-up engagement in February 2024, the company had achieved 35.3% cage-free eggs, including 100% in the core markets of Brazil and Costa Rica, in addition to other markets. The company reiterated the goal of achieving 100% cage-free eggs by year-end 2025 and continues efforts to achieve its goal.

Outcome and Next Steps: We plan to continue engaging with the issuer to drive improvement to the goal of 100% cage-free eggs by year-end 2025.

Promote sustainable development

Asset Class: EM Fixed Income

Country/Region: Latin America

Company Description: Food and beverage (proteins)

Collaboration Topic: Deforestation and conversion free

Collaboration Objective: Increased and standardised disclosure of ESG data

Collaboration Overview: The EM corporate debt team collaborates with the Emerging Markets Investor Alliance (EMIA) on an ongoing basis to support good governance, promote sustainable development, and improve investment performance in the companies in which we invest. EMIA helps us to raise awareness and advocate for these issues with investee companies.

Throughout 2023 and 2024, we worked with the EMIA and invited the issuer to participate in the application of the World Wildlife Fund Deforestation and Conversion Free (DCF) Implementation Toolkit. The DCF Implementation Toolkit was originally developed by WWF in 2018 to guide companies in supply chain management practices and achieve DCF supply chains.

As investors, we are concerned about the impact deforestation may have on local ecosystems and communities, CO2 emissions, and water cycles. We are also concerned about the financial impact for our portfolio companies. We continually look for the most appropriate tools and guidance that can help companies better manage supply chain risks while facilitating benchmarking and providing insights that allow for better decisions about the effectiveness of their efforts. Many of our investee companies have made significant progress towards achieving deforestation-free supply chains. However, we find it challenging to comprehensively assess the maturity of each investee's policies and implementation plans in a systematic manner. The DCF Implementation Toolkit effectively addresses these needs.

As a result, with seven institutional investors, and led by EMIA, in November 2023 we invited this investee company to participate in implementing this Toolkit.

Outcome and Next Steps: In April 2024 the issuer agreed to participate and issue an assessment report. Over the remainer of 2024, the issuer completed that assessment report and produced an action plan which was recently just presented to the EMIA team and investors. The report and action plan show significant progress and a detailed plan to continue to improve its beef supply chain. In the meantime, the company has also become more diversified, gained scale, and became more efficient. This, combined with the ESG improvements, has led to better credit metrics and the achievement of IG ratings.

Principle 11: Escalation

We find exclusionary investing alone may fail to identify the potential good actors in segments that tend to lag in ESG or other issues – companies that deserve to see their cost of capital favourably differentiated from their peers who are not taking appropriate actions. Yet investing in such areas requires elevated investment diligence, sustained engagement, escalation when engagement does not appear to be working, voting against management if necessary, and always explaining why to the portfolio company when we do – and finally, if all else fails, divesting. While we do not exclude companies up-front, we maintain the ability to divest when managements are not committed to or successful in improving their ESG metrics over a significant period of time, potentially resulting in a high level of material risk. We believe this approach best fulfils our fiduciary duty to clients while driving change across industries. Escalation is an important step in the investment process, providing management the opportunity to shift course.

An analysis of ESG factors extends through the full life of the relationship with investee companies. For example, we review our Priorities for Assessing Investment annually, as described in *Principle 7:* Stewardship, investment, and ESG integration, and our engagement and escalation processes are designed to deliver on these specific priorities related to environmental, social, and governance factors.

The key priorities for the firm's engagement and escalation are reviewed annually by a cross-asset portfolio manager group. The group exchanges experiences over the prior year, discusses changing priorities from our clientele and our firm's employees, and shares experiences in driving engagement, including escalation. Although the precise approaches may vary by asset class and geography (as you will see in some examples below), there is consensus not only around the fundamental principles of escalation (transparency, integrity, persistence, and use of the appropriate forum) but also the end goals.

We use a range of tools to achieve our objectives. These include in-depth analysis of publicly available materials, detailed fact-finding, consulting with experts, and sourcing third-party data, supplemented with proprietary analysis, discussions with management teams, and when it comes to ESG frameworks, sharing our insights with competitors. Within this framework, we escalate strategically only after we engage and before we vote.

Most investee companies are highly responsive to our suggestions and welcome the open and ongoing dialogue we promote. We find that many small and mid-sized companies benefit from an education of investor priorities and industry best practices for their ESG frameworks, and they appreciate our perspective. Some companies provide data that we request and hold periodic meetings with our analysts, ESG specialists, and activist portfolio managers. Forums are in place for two-way communication, often in collaboration with like-minded stakeholders.

However, there are occasions when we need further information, need to address specific concerns with a company, or simply need confirmation that a company is taking a suitable approach to a priority or other item that we believe is key for the sustainability of the company's investment thesis. When that happens, we increase the level of engagement and may intervene more strongly in a carefully thought-out escalation process, which varies by asset class. We are continuing to tighten these processes and procedures at both an asset class and firmwide level and will be exploring enhancements for tracking escalation of engagements.

Equities escalation

For Equity investments, an ongoing forum between investors and management enables us to have an impact on stewardship and ESG outcomes. Our first approach is to arrange further meetings with management or, if this is difficult, with the company's advisors. In these meetings, we seek to work collaboratively with management to improve outcomes.

At the beginning of this report, we highlighted PineBridge's very significant presence in Asia. In India, Korea, and other parts of Asia, we make sure to attend general meetings in person when there is a significant issue and vocalising our views to reach a consensus with other investors and help to sway management. Annual general meetings (AGMs) provide us with an audience of not just the executives running the company, but the entire board of directors. In this way, if our view, suggestion, or idea is noteworthy, it could be implemented quite rapidly even if the executives have reservations. AGMs are attended by shareholders who really care about the company and thus

provide an ideal platform to make our views public. If our ideas are in the interest of long-term shareholders, they will be magnified and likely will place pressure on management to implement them (if they do not, someone else will point it out in the next AGM).

Fixed Income escalation

Engagement with issuers helps analysts better understand companies, improves ESG disclosure, improves the management and mitigation of financial risks, and maximises positive sustainability outcomes. Engagement also helps issuers understand our expectations as investors, allowing them to provide us with relevant information. It allows companies to explain how their approach to sustainability relates to their broader business strategy and can provide an opportunity for companies to comment on our assessment. In addition to underlying fundamental research analysis, our analysts engage in dialogue with management about the issuer's ESG practices and explain how this affects investment decisions. This is done in group and individual meetings with management in a proactive manner. For new issues, analysts give feedback to the syndicate and issuer about their views of the issuer's ESG risk and how this risk is reflected in an issuer's market pricing, highlighting the economic costs of its business practices.

A key objective for our research team is to identify an issuer's material ESG risks and evaluate how they are being managed towards a sustainable outcome. For example, when the issuer's GHG emissions are a known environmental risk factor, we endeavour to determine if management has committed to reducing those emissions, what actions and expenditures have been committed to accomplish the reductions, and on what timeline. While we recognise the legal limitations lenders have in affecting change in an issuer's business practices, we believe we can make a difference via engagement, predominantly by questioning management, requesting increased disclosure, and highlighting business practices and procedures to reduce the impact of known risks.

Our objective is to support issuers in improving their ESG practices, ESG risk management, and development of sustainable business models over time. When an issuer does not respond in a sufficient manner to our stated expectations and requests for improvement on issues of concern to PineBridge or its clients, our analyst leading the engagement will review the matter with the portfolio management teams for escalation of the engagement. Escalation generally begins with increased monitoring and dialogue with the issuer, allowing us to judge an appropriate timeframe for change implementation. Additionally, we may collaborate with other investors to maintain dialogue with the issuer and present a consensus view for the requested change. Finally, we will conduct a review of these actions, making a determination of whether or not the issuer is willing or able to implement appropriate changes to its business practices. If it is not, the issuer may be viewed as unsuitable for investment and may be divested, as appropriate, from portfolios based on their specific investment restrictions and objectives.

Escalation example

Mid-sized life insurance company with limited public disclosure

Asset Class: IG Fixed Income

Country/Region: United States

Company Description: Life insurer

Engagement Method: Group call

Engagement Topic: Governance

Engagement Objective: Review the company's investment portfolio risk management

Engagement Overview: A mid-sized insurance company from the US hosted a group roadshow, and we used this opportunity to engage with them. Most questions from investors were around the investment portfolio, which is significantly riskier than peers. The group invests only 18% of its money in Corporates, against an industry average of 46%. Meanwhile, 63% of its portfolio is CLO+ABS, against an average of 10% from peers. We asked about more details from their CLO and ABS portfolio, and they informed us that around 35% was linked to affiliates of their sole shareholder, information that was not disclosed in previous contacts. That shareholder invests in a variety of small companies including asset managers, tech, sports, gaming, entertainment, media, real estate and consumer goods. In most cases, they do not hold control of those investees but finance them with part equity (e.g., 25% ownership) and part debt (CLOs purchased by the issuer in question, which in turn are

backed by the assets of the investee). The credit team came out of the call with a view of the issuer as having an increased risk of conflicts of interest, as well as risks related to ownership of those investments (reputational risk in case of any adverse headline).

Outcome and Next Steps: With the new information about the investment portfolio the internal PineBridge G score for the issuer was lowered from 4 to 5 (the lowest in the scale), and the Credit Team advised PMs both in calls and via CAP that the risk perception changed. The Credit Team will continue to monitor this issuer, but PineBridge has since dramatically reduced exposure to this issuer.

Principle 12: Exercising rights and responsibilities

PineBridge's Stewardship Committee comprises members from Senior Management, Portfolio Management, Compliance, Legal, Product, and Business Development. The Committee is responsible for defining and monitoring the company's proxy voting strategy and process, and it maintains the proxy voting procedures and guidelines contained in the company's Proxy Voting Policies and Procedures policy. The Committee is also responsible for overseeing the engagement process, including the cross-asset class activities designed to discuss engagement, sharing best practices, and collaborating on shared engagements.

The Committee is charged with establishing overall voting procedures that are in the best interests of our clients, as well as in assuring that the investment beliefs and practices employed by our investment teams when evaluating investments – particularly regarding our integration of ESG and engagement – are harmonised with and reinforced by our voting guidelines. Our key ESG priorities across the firm and across asset classes are climate change, diversity and inclusion, and human rights. Modern slavery is also a priority, although still at a stage where more data is vital to progress further with transparency and disclosure, something we advocate for where possible.

While our full voting guidelines are lengthy, we begin with new guidelines never before put to votes and review how Institutional Shareholder Services (ISS) evaluates these proposals and recommends that their clients vote. When sufficient given our firm's values and ESG priorities, we then adopt them as our own. Where we differ, we create a custom guideline that ISS then implements and administers on our behalf. Where we have differed most about stewardship over time from other best-of-breed asset managers, as well as ISS, is that we are more stringent on non-performance-based compensation. With larger firms that are no longer in an entrepreneurial state, alignment of interest principles in our view calls for more stringent dilution criteria via stock options in comparison to public companies in a more entrepreneurial stage. We are also focused on CEO compensation relative to peers in the context of performance and in relation to the median employee at their firm.

We became more stringent in votes related to climate and diversity issues in 2020 and 2021, respectively. Our views are research based and have not changed year-over-year despite social pressures present in some regions of the world. These are particular areas in which our guidelines will be more stringent than those of the proxy advisor and the peer group we compare ourselves to.

In carrying out these duties, the Committee coordinates with the company's investment teams to ensure that the teams consider an issuer's ESG practices in the proxy voting context, strictly adhere to fiduciary standards, and comply with applicable securities laws and best practices, including implementation of recommendations and standards of the Shareholder Rights Directive II, the UK Stewardship Code, and the TCFD.

The Committee maintains guidelines for all issues expected to come forth on proxies and formally reviews these issues from the prior season at least annually, since best practices evolve over time. The Committee periodically assesses voting activity to ensure it is consistent with the policy, and it reports to the CRSC concerning its activities, either verbally or in writing, at regular meetings of the CRSC, or at other times or occasions as the CRSC Chair determines. The Committee also is responsible for evaluating the performance, pricing, and ongoing engagement of our proxy voting service provider(s).

Proxy voting policies and procedures

PineBridge views proxy voting as an important right of shareholders, such as our clients, and we take reasonable care and diligence to ensure such rights are properly and timely exercised. As a fiduciary for our clients, we must vote proxies in each client's best interest.

As a registered investment adviser that votes securities held in client portfolios, PineBridge has implemented proxy voting procedures that are reasonably designed to help ensure that a) PineBridge votes proxies in the best interest of its clients; b) describes its proxy voting procedures to its clients; and c) discloses to clients how they may obtain information on how PineBridge voted their proxies. These procedures are designed to help PineBridge manage material conflicts of interest.

PineBridge does not engage in securities lending. We believe the vote has value, and the risk of not receiving shares back in time to vote is typically not adequately compensated.

A summary of our voting policies and procedures is available on our website.

For our proxy voting policy, please refer to the ISS Voting Policies, with codes on how each of the numerous issues that surface on guidelines should be voted. We review each with ISS, starting with its recommendation, considering whether we agree and should make it our own. We note seven areas, in particular, where we have found it necessary to scope the voting codes quite differently than what ISS would do if we delegated shaping the policy for us. Please see the attached pdf document named **Attachment – PineBridge Policy Implementation Document (CarveOuts)**.

Voting records

PineBridge discloses its votes upon request to clients, and disclosure is required for any mutual funds advised by PineBridge, on SEC Form N-PX. In addition, also see PineBridge's complete voting records.

Client-directed voting

Our voting model is as outlined above. Where a client has invested through a pooled vehicle, it generally is not possible to enable proxy voting at the client level. However, it is our policy that clients investing through separately managed accounts (SMAs) may choose to vote themselves rather than leverage our proxy voting policies and procedures. This choice is specified during the client onboarding process. We have evaluated services that poll investors on certain issues, yet we are not of the view that clients who have evaluated our voting policies and procedures wish for us to instead vote based on a poll. Fund platforms, however, often choose to vote their own proxies for consistency across their platforms. For clients choosing to vote themselves, the custodian will send proxies received to the client. For clients choosing to leverage our proxy voting policies and procedures, the custodian will send the proxies to ISS on our behalf. ISS maintains company-level records for each client SMA, including the number of shares owned.

Recordkeeping

PineBridge must retain (i) proxy voting policies and procedures; (ii) proxy statements received regarding client securities; (iii) records of votes it casts on behalf of clients; (iv) records of client requests for proxy voting information; and (v) any documents prepared by PineBridge that were material to vote decisions and rationale. We may rely on proxy statements filed on EDGAR (the Electronic Data Gathering, Analysis, and Retrieval system of the SEC) instead of keeping our own copies and rely on proxy statements and records of proxy votes cast by PineBridge that are maintained by contract with a third-party proxy voting service or other third party.

Proxies of shares of non-US corporations

PineBridge has implemented general voting guidelines with respect to non-US shares owned by clients. However, although US companies must give shareholders at least 20 days' advance notice to vote proxies, some non-US companies may provide considerably shorter notice or none at all. PineBridge is not required to rush voting decisions to meet an impractical deadline, and as a result, PineBridge or our affiliates' regional designees under certain circumstances may not vote certain proxies. In addition, certain non-US regulations impose additional costs to a portfolio that votes proxies, and PineBridge will take that into consideration when determining whether to vote. Despite these hurdles, of the 2,500 voting meetings that required votes to be cast, we were able to deliver those 98.84% of the time, with the remaining 1.16% due to transactional timing at the time of voting that prevented us from being able to vote.

In the case of a material conflict between our own interests and those of our clients, PineBridge will take steps to address such conflicts (which may include consulting with counsel) and will attempt to resolve all conflicts in the client's best interest.

Voting process

All geographies, funds, and separately managed accounts adhere to the firm's voting guidelines. Certain countries contain country-level voting codes, and in these cases our intent is to lean towards our own views on global best practice while not getting too far ahead of established precedent in an individual country. Yet all such country-level voting code guidelines are determined between the Committee and ISS, often after consultation with our colleagues from various affiliates.

PineBridge maintains its own customised voting guidelines, which are numerous. To bring the best expertise to this fiduciary task, the Stewardship Committee has retained ISS to assist us in developing and maintaining our customised guidelines. This involves reviewing the rationale behind ISS's starting point on each voting principle, surveying how other critical thought leaders and asset managers vote the issue, reaching out to our specialists for input, and debating within the Committee before establishing a policy on how that issue will be voted for all proxies containing the issue. These deliberations crystalise in specific voting codes that we give to ISS, which then executes our custom-designed guidelines on our behalf. On matters of principle, we maintain voting codes for all such issues expected to come up on one of the proposals we voted in 2024 over numerous countries, funds, and separate accounts.

While integrating ESG in a forward-looking manner, once we purchase securities on behalf of clients, we look for improvement by portfolio companies. In seeking such, our approach to stewardship is to engage first, vote against second, and divest only when we do not find management themselves engaged on the issue, transparent, and committed to improvement on ESG grounds.

Engagement

Consistent with the belief that issues associated with ESG factors can have a material impact on the financial performance of companies, the firm's investment teams seek to engage with investee companies on financially material issues where relevant. The mechanisms for such engagement vary across asset classes. As part of our investment teams' due diligence processes, we frequently engage with senior-level management of the companies we are analysing on how ESG issues could affect their businesses and investment performance. We believe that active ownership influences management teams' attention to these issues and their importance to the investment community.

PineBridge maintains strong relationships with company managements, as well as employees, customers, suppliers, lenders, and shareholders, which allows access to the key individuals and decision makers within the organisations. We take an active approach, where we use each meeting with management as an opportunity to provide feedback, no matter how small the issue might be. Very often we find that, regardless of the size of our holding in the company, management teams are extremely receptive to feedback. We also note that our feedback is usually considered and often implemented, based on observations and subsequent discussions with senior management. Because our size and global reach allow PineBridge to share and synthesise company-level information efficiently (something that is usually not possible at the large asset managers due to dis-economies of scale), we find that management teams are usually receptive to our deep insights garnered from around the world and across a wide range of industries.

Equity stewardship

Stewardship is a vital aspect of managing assets on behalf of our clients, and it is an important component of ESG incorporation that benefits both PineBridge and the companies or entities in which we invest. We believe that an ongoing open dialogue with our investee companies is an effective way to drive positive change, encourage transparency, and ultimately promote and participate in sustainable long-term value creation.

We define stewardship as individual or collaborative activities that seek to protect and enhance the value of the companies and entities in which we invest and thereby help attain our investment objectives. Stewardship activities may include engagement with issuers (in all asset classes and for both current and potential investees), voting at shareholder meetings, filing shareholder resolutions/proposals, taking direct roles on investee boards and board committees, negotiating with and monitoring suppliers with regard to stewardship actions in the investment chain, engaging with policymakers, engaging with standard-setters, and contributing to public goods (such as research) and public discourse (such as media) that support stewardship goals.

Fixed Income stewardship

In Fixed Income, our investment process involves rigorous analysis of each issuance's Offering Circular and supporting documentation. This includes, among other issues:

- Terms and conditions of the offering
- Financial information

- The various risk factors
- Use of proceeds
- Capitalisation
- Management's discussion and analysis of the financial and operational results
- A review of the overall industry sector
- Analysis of the management, principal shareholders, related-party transactions, relevant sustainability targets, taxation considerations, and listing information

The investment teams have frequent engagement with the issuers and invest only in issuers that have a high level of transparency and access to information provided in the trust deeds. All documents are stored in our internal research databases. In issuance-oriented meetings, we do speak up to ensure that ESG-related issues are properly taken into consideration in pricing. The investment teams also have a Corporate Actions Process operated by State Street, which flags any amendments to the terms and conditions, and a formal process is in place that requires the approval of the dedicated analyst, as well as the portfolio management team.

Multi-Asset stewardship

We believe stewardship is an important part of the investment process and maintain this responsibility in the investment team. We engage with managers (who themselves engage with their company holdings) when we implement with active management, and with investee companies when we implement passively. The Team understands that the more passive the selection of securities, the more active their engagement must be.

When we implement with active management, the Multi-Asset Manager Selection team engages with the manager at least quarterly to review the integration of ESG into security selection, as well as engagement activities. In addition, the Manager Selection team identifies underlying holdings that are not improving with respect to carbon intensity or board gender diversity, or have UNGC violations, if any, and discusses these companies with the manager as well.

For passive implementation, we identify companies that are not improving regarding PineBridge's ESG themes, primarily carbon intensity, board diversity, and human rights/modern slavery, as well as any companies that are in violation of social norms as defined by the UNGC. We engage first, vote our proxies to drive ESG improvement, escalate when sustained engagement is not effective, and will divest from a security when we determine that the company is not committed to improve on the ESG characteristics.

Alternatives stewardship

The firm has varying approaches to exercising rights relating to its Alternatives asset class.

For Private Equity direct investment assets, the investment team actively engages with portfolio company managements on PRI and ESG issues throughout the investment process. In addition, where the investment team obtains board positions through its investment activity, it actively engages with management and other directors to proactively address PRI and ESG opportunities and risks. Specifically for the Private Funds Group (PFG), the intention is to ensure that the due diligence performed as part of each initial investment includes consideration of ESG principles and encourage portfolio funds and companies to apply ESG principles in their operations whenever relevant and practicable. We recognise that it may not always be feasible to address every ESG consideration, and our efforts are often subject to the constraints of the investing context, such as being a minority non-control investor, acquiring an interest in a secondary transaction, or otherwise lacking the leverage to drive ESG points due to other circumstances. We thus recognise that PFG will need to be risk-adjusted and opportunistic in its implementation of the foregoing to meet fiduciary and investor objectives, as well as promote a viable and thriving business model in each of the market segments in which it operates.

In Private Credit, the Team seeks to monitor relevant ESG factors as uncovered in the initial ESG due diligence by portfolio company through active and passive monitoring, as well as utilising the LSTA ESG Due Diligence Questionnaire. The Team may determine that certain ESG-related items require further monitoring. The Team seeks direct lines of communication with the borrower and/or management team as relevant. Further, the Team seeks to follow up on material ESG matters internally through routine discussion and portfolio reviews and externally as appropriate.

The loan documents negotiated by the Private Credit Team contain customary lender protections that are triggered upon the occurrence of an event of default. These lender protections available pursuant to the credit agreements and at law vary in scope, which provide the lenders flexibility when enforcing rights. Certain remedies allow the borrower to maintain ownership and control over the business but also provide lenders with additional information rights and economic return, such as inspection rights, meetings with management, default interest rate (typically a 2% increase), and additional fees. Lenders also have the ability to "accelerate" the loan and require all outstanding amounts to be paid immediately. If the borrower cannot make a payment, the lenders may take control of certain voting stock and replace management or foreclose on collateral to repay the loan.

Investments in Real Estate-related assets in funds that are managed under delegated authority by PineBridge Benson Elliot LLP are typically majority held with investment and senior finance team members holding board positions in the asset-owning structures and/or entities. Asset-level diligence includes ESG factors, and where operating groups or companies are acquired (rather than new entities being set up), diligence will cover board constitution, regulatory, tax compliance, and employment law considerations. Quarterly board meetings are held, and third-party asset, property, and development managers are required to report using pre-agreed reporting packs and meeting protocols. The agenda and reporting packs include appropriate reporting on ESG matters not otherwise covered in regular business updates, as well as confirmations regarding anti-bribery and corruption, insurance, and health and safety. Further governance is embedded via the pan-portfolio holding entities, the boards of which are constituted with a mix of PineBridge Benson Elliot group and external independent directors.

Examples

European pharmaceutical company impacted by significant litigation risk

Asset Class: IG Fixed Income

Country/Region: Germany

Company Description: Pharmaceutical

Engagement Method: One to One Meeting with the Management

Engagement Topic: Litigation risks and impact on credit profile

Engagement Objective: Provide details on litigation strategy to manage ESG risks

Engagement Overview: PineBridge has been monitoring the company's contradictory ESG profile for several years and had already addressed some environmental and social risk considerations in the past. In September 2024, PineBridge had a one-on-one, in person investor meeting with the management (including the head of IR), when participating in a Pharma conference in London. During the engagement ESG concerns associated with the name were raised and details of the company's litigation strategy and its timeline were discussed, following recent material developments in the US courts. The IG team's concern was that the company could see a further deterioration in credit profile should the litigation risks remain unresolved for much longer. The management reiterated their focus on resolving litigation risks along with a simultaneous debt reduction over the next 12 months with the eventual objective to return to a higher rating category.

Outcome and Next Steps: The investment team believes the engagement contributed to the broader investor push towards management to be more pro-active and open with the investor community over the group's litigation strategy, that represents a substantial ESG and financial risk to the credit, and plans continue monitoring and engaging to address litigation risks.

A company's air quality policy

Asset Class: Private Credit

Country/Region: United States

Company Description: Food co-manufacturer

Engagement Method: Phone calls between PineBridge's outside counsel and company's counsel; emails/calls with company and Private Equity sponsor

Engagement Topic: Environmental remediation

Engagement Objective: Ensure borrower was committed to and had capacity to address potential air quality issue flagged in acquisition purchase agreement

Engagement Overview: PineBridge was an existing lender for approximately four years to the company that is a co-manufacturer of nutrition bars, chocolate confections, and granola, owned by a top tier globally focused Private Equity firm. The borrower was in the process of acquiring another manufacturer, including four manufacturing facilities. During the internal review of the purchase agreement for the target company, the Private Credit analysts discovered there was reference to some outstanding air quality testing regulatory requirements at one of its manufacturing plants based in California where the company roasted peanuts as part of its manufacturing process. PineBridge had an outside counsel investigate detail behind what was cited in the purchase agreement. The counsel conferred with the company's counsel who ensured them and that the company was committing to finishing the required testing post-closing, and that the cost for testing and any remediation, if necessary, would likely be in the range of $500,000, more than adequately covered by a $2 million environmental escrow account reserve that was contemplated for the transaction. The investment team got comfort approving the acquisition (per our credit agreement) based on our track record with the borrower over the course of four years, the reputation of its Private Equity owner for being a responsible investor, and the relatively small magnitude of the issuer, subject to monitor the progress of the situation. Magnitude notwithstanding, this dynamic was discussed in the investment committee meeting to approve the acquisition and documented in our investment committee memo for future monitoring.

Outcome and Next Steps: Monitoring of the progress/resolution of the required testing and results

Lending for a co-living opportunity helping to regenerate a London borough's affordable housing

Asset Class: Real estate

Country/Region: UK

Description: Loan funding to secure a site in Hackney, London, for a much-needed co-living scheme

Objective: Affordable co-living scheme to address shortage of living space in a borough going through regeneration (through the Hackney Wick Central Masterplan)

2024 Update: Since the 2023 UK Stewardship Report to the Financial Reporting Council was issued, the proposed co-living scheme has been granted planning approval. The PineBridge Benson Elliot fund loan was fully drawn, which enabled the developer to complete its planning and procurement process for an opportunity that would have otherwise been lost.

The s106 was also concluded with the LLDC committee, with the scheme providing significant amenity value in the Hackney Wick area within East London, as well as a workspace provision that is targeted towards supporting and retaining creative and cultural industries that are identified in the Central Masterplan. Post-period the loan was fully repaid to the PineBridge Benson Elliot fund, and the developer has secured further financing to proceed with the scheme.

Here is a brief synopsis of our 2024 voting record.

Voting Statistics 2024[8]

	Total	Percent
Votable Meetings	2,500	-
Meetings Voted	2,471	98.84%
Votable Ballots	12,514	-
Ballots Voted	12,344	98.64%

[8] Source: ISS. PineBridge's 2024 vote summary report, including votes withheld, can be accessed here: https://assets.pinebridge.com/m/49569a77bac4b08d/original/Vote-Summary-2024.PDF

	All Proposals		Management Proposals		Shareholder Proposals	
	Total	Percent	Total	Percent	Total	Percent
Votable Proposals	26,695	-	25,436	-	1,259	-
Proposals Voted	26,346	98.69%	25,116	98.74%	1,230	97.70%
FOR Votes	23,355	87.49%	22,604	88.87%	751	59.65%
AGAINST Votes	2,570	9.63%	2,104	8.27%	466	37.01%
ABSTAIN Votes	148	0.55%	143	0.56%	5	0.40%
WITHHOLD Votes	239	0.90%	231	0.91%	8	0.64%
Votes WITH Management	23,873	89.43%	22,774	89.53%	1,099	87.29%
Votes AGAINST Management	2,475	9.27%	2,344	9.22%	131	10.41%

Source: ISS. Note: Instructions of Do Not Vote are not considered voted; Frequency on Pay votes of 1, 2 or 3 Years are only reflected statistically, where applicable, but present in the underlying detail; and in cases of different votes submitted across ballots for a given meeting, votes cast are distinctly counted by type per proposal where total votes submitted may be higher than unique proposals voted.