

WELLINGTON
MANAGEMENT®



2025 Sustainability Report

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PUBLISHER'S NOTE:

The content of this report covers Wellington Management's approach to stewardship and sustainability during 2025. The global ESG/sustainable investing (SI) legal and policy landscape is evolving rapidly, as are our clients' expectations. We are keeping abreast of this evolution as we seek to deliver excellence for our clients and comply with legal and regulatory obligations globally. This means that areas within this report may be under regular review.

Message from leadership

Wellington remains committed to its mission of delivering long-term investment excellence for millions of beneficiaries. In 2025, market complexity, technology disruptions, geopolitical volatility, and the ongoing effects of climate change reinforced our dedication to stewardship and sustainable investment (SI) research to fulfill that mission. We focused on multidisciplinary research integration, engagement with companies and issuers on financially material sustainability topics, and operational sustainability alignment.

Across global financial markets, sustainability issues are becoming more complex. From the economic consequences of climate change to an increasingly fractured global policy landscape to emerging technologies like AI, the need for rigorous SI research and analysis has never been greater. We embrace the nuances of sustainability, seeking to break big themes down to underlying drivers and understand the trade-offs they create for issuers, sectors, and portfolios. We believe this approach generates differentiated insights that can improve long-term client outcomes and keep our investment teams abreast of emerging risks and opportunities.

Our research-led investment platform, in which environmental, social, and governance (ESG) research analysts are integrated into sector teams alongside equity and credit analysts enriches our understanding of issuer fundamentals and sector dynamics. It also supports robust debate, cross-asset visibility, and holistic security analysis. We broadened collaboration via multidisciplinary research “hubs” organized around major investment themes such as AI, energy systems, and natural resource constraints. The hubs bring analysts together to explore market implications, accelerating idea generation and building conviction.

Our ongoing collaborations with Woodwell Climate Research Center (Woodwell Climate) and the Massachusetts Institute of Technology’s Center for Sustainability Science and Strategy (MIT CS3) continue to shape our understanding of climate-related risks and opportunities. For example, last year, we included analysis of nontraditional return drivers such as the effects of drought on agricultural commodities prices. Considering the interconnections between the physical and transition risks of climate change enables us to conduct more informed engagements to evaluate issuer preparedness.



Jean M. Hynes

Jean Hynes, CFA
Chief Executive Officer



Wendy M. Cromwell

Wendy Cromwell, CFA
Vice Chair and Head of
Sustainable Investment



Ellen Chae

Ellen Chae
Head of Sustainability Group

In that vein, we also deepened our research on the intersection of sustainability and US government policy. As regulatory and political dynamics evolve, understanding how private sector resiliency interests intersect with public policy is increasingly important, particularly within strategic sectors like energy and technology. Powering the world will almost certainly require an “all-energy” approach, with traditional, transitional, and renewable sources necessary to meet demand. The pace and composition of the energy transition will vary regionally, shaped by economic backdrop, grid constraints, technology costs, power demands, and social structures. We believe that working across research disciplines — including SI — is the best way to evaluate related risks and opportunities.

As active managers seeking to deliver enduring, competitive investment returns for our clients, Wellington believes that through informed, active ownership we can encourage best practices on issues that are material to client outcomes. We continue to invest in technologies supporting better engagement tracking and reporting to provide greater visibility across both public and private markets.

During the year, we formalized our corporate sustainability function, WellSustain. As a result, this year’s report renews our focus on several operational sustainability frameworks, including supply chain oversight, enterprise risk and firm resilience, and the impact of our carbon-neutrality approach. We believe this work strengthens our ability to service our clients effectively while operating responsibly where we do business.

Our firm’s approach to sustainable investment is nuanced, research-driven, and grounded in financial materiality. As markets continue to evolve, we remain focused on generating differentiated insights, maintaining productive issuer dialogue, and helping our clients navigate an increasingly complex world. We appreciate the trust they place in us to understand the nuances of sustainable investment more deeply. As we head into 2026, we are prepared for continued complexity and remain dedicated to strengthening our research and stewardship capabilities to better serve our clients.

Wellington in numbers

All data as of 31 December 2025

BUSINESS OVERVIEW

- US\$1.3+ trillion of client assets under management (AUM)
- 3,000+ clients in 65+ countries
- 18,600+ meetings with more than 5,000 public market issuers in 76 countries in 2025.¹ We believe these meetings open avenues to value creation through productive dialogue, including on financially material ESG issues.

2025 STEWARDSHIP OVERVIEW

- Voted proxies at 5,800 meetings in 73 markets

PEOPLE AND PORTFOLIOS

- 821 investment professionals, with an average of 17 years' experience
- 184 active partners
- Over 40 SI professionals across our investment, client, and infrastructure platforms
- Investment Stewardship Committee (ISC), with representation across functions and regions

- Sustainable Investment Governance Committee (SIGC), comprised of senior leaders, including our CEO
- Sustainable Investment Management Team (SIMT), with representation across functions and regions

Asset class (% of total AUM)*	Assets (US\$ million)
Equity (47%)	620,813
Fixed income (37%)	498,658
Multi-asset (16%)	213,494
Total	1,332,965

Account region ²	Assets (US\$ million)
Americas	1,055,811
Asia Pacific region (APAC)	124,406
Europe, the Middle East, and Africa region (EMEA)	152,748
Total	1,332,965

*Sums may not equal 100% due to rounding.

¹ Represents meetings with public-market issuers. "Issuers" refers to companies and sovereigns. All figures as of 31 December 2025 for the Wellington Management group of companies. While all meetings inform our investment processes, ESG topics are not covered at every meeting.

² Regional AUM is counted at the account or fund level.



Section 1: Purpose and governance

Wellington's mission is to drive excellence for clients to positively impact millions of beneficiaries' lives. If we succeed, we can impact the lives of real people, from educators and first responders working for a secure retirement, to scholarship recipients at universities, to scientists pursuing cures for previously incurable diseases.

- Our singular focus is investment management.
- Our investment decisions are informed by in-depth, multidisciplinary research.
- We are committed to our role as a fiduciary.
- We exist for our clients and are driven by their needs.

We trace our history to 1928, when Walter Morgan, a Philadelphia-based accountant, established the first balanced mutual fund in the United States. Our expertise is investments. We like to describe ourselves as a community of investment boutiques that create solutions for specific client needs. Our most distinctive strength is our proprietary, independent research, which is shared across all areas of the organization and used for the purpose of managing our clients' portfolios.

Wellington is a private partnership, serving as an investment adviser to more than 3,050 institutions in more than 65 countries. As of 31 December 2025, we managed more than US\$1.3 trillion in client assets. Our clients include central banks and sovereign institutions, consultants, defined benefit and defined contribution plans, endowments and foundations, family offices, insurers, and intermediaries and wealth managers.

“

Our mission and purpose as a firm is to drive excellence for clients to positively impact millions of beneficiaries' lives. That mission is supported by a strong foundation of broad investment capabilities, a collaborative culture, and a private ownership model that keeps us focused on long-term success for our clients.



JEAN HYNES, CFA

Chief Executive Officer

1.1 Guiding principles

Seeking to deliver excellence for our clients

We believe that our private partnership enables us to take a long-term view, better align our interests with those of our clients, and attract and retain outstanding talent. A central concept in our long-term approach to stewardship and SI is that material ESG issues and sustainability-related risks and opportunities are often strategic business concerns that can affect the long-term value of the securities we may invest in on behalf of our clients. We also believe that through informed, active ownership, we can partner with management teams and boards to share and develop best practices on issues that may affect client outcomes. Our ability to identify and assess risks and opportunities is critical to achieving our clients' financial objectives.

We recognize that building strong, long-term relationships with clients is vital to our success as a firm, and we seek to support our clients across all touchpoints. Our efforts to evolve our client reporting have positioned us to be more responsive to clients' desire for information (beyond performance results), including providing greater transparency and context for our voting and engagement activities, as well as carbon emissions and ESG metrics, where relevant, and impact reporting for our impact investing strategies. For example, as many of our clients increasingly focus on understanding the complexity of the global low-carbon transition, we will seek to function as a partner in assessing the impact on markets and investment portfolios.

Our approaches span a range of asset classes, from public and private equities and fixed income, to multi-asset, alternatives, currencies, and commodities. On our dedicated, nonconcessionary SI platform, we also offer approaches for which sustainability concepts are primary features of the core investment philosophy. (See **Section 2** for details.)



1.2 Sustainability and stewardship governance structure and policies

To support our sustainability teams in effectively meeting clients' needs

GOVERNANCE STRUCTURES

We continue to experience demand from clients for risk management and compliance support amid evolving regulations. Our governance processes include several forums designed to optimize cross-functional decision making, and our governance structures and forums continue to evolve to better meet the needs of our clients and Wellington's investment teams.

Our SIGC and SIMT (see below) deepen firmwide SI knowledge, formalize responsibilities, improve communication, ensure continued collaboration, and facilitate efficient decision making. Our SIGC includes senior leaders from across our three business platforms (investment, client, and infrastructure), who oversee and guide Wellington's sustainability efforts. The SIMT includes SI leaders who determine and execute the firm's overall SI vision and strategy to meet evolving investment, client, and regulatory imperatives. In addition to these two groups, some SI leadership members are embedded within other functions that support the integration of our work across the firm. This governance is further backed by our Investment Stewardship Committee (ISC).

The following structures were in place during 2025:

SI GOVERNANCE COMMITTEE (SIGC)

Purpose: Oversee and guide the firm's sustainability efforts.

Membership: CEO Jean Hynes and other senior-level and experienced leaders from across the firm.

Sample activities: Establish/review key external partnerships; approve major industry initiatives; endorse resource recommendations; approve policy mandates with broad, firmwide consequences.

SI MANAGEMENT TEAM (SIMT)

Purpose: Determine and execute the firm's overall SI vision and strategy to meet evolving investment, client, and infrastructure imperatives.

Membership: Senior-level and experienced SI leaders from our investment, client, and infrastructure platforms.

Sample activities: Recommend and prioritize resource needs; decide on industry-wide working group participation; identify resources for priority SI initiatives; identify and solve for gaps, redundancies, or inconsistencies that arise from our decentralized SI management model. To support execution of its core mandate, the SIMT leverages SIMT+, a cross-functional forum that enables two-way information exchange with experienced leaders across the firm on key SI initiatives and priorities.

INVESTMENT STEWARDSHIP COMMITTEE (ISC)

Purpose: Set policies for our stewardship activities across the firm, with a focus on proxy voting and engagement.

Membership: Senior-level and experienced professionals from portfolio management, investment research, sustainability, relationship management, and legal.

Sample activities: Ensure Wellington votes, engages, and stewards client assets in a manner consistent with our mission to deliver investment excellence over time. In pursuit of this goal, the ISC is empowered to:

- Set and approve proxy voting policies and procedures, conflicts-of-interest policy, and annual voting guidelines.
- Oversee our proxy votes, with a focus on key stewardship issues and evolving best practices.
- Set and approve our engagement policies.
- Monitor our engagement practices and steer engagement priorities.
- Serve as a sounding board on engagement and stewardship matters, including escalation and conflicts.
- Confirm that we satisfy our regional stewardship code responsibilities.
- Ensure that we are accountable and authentic in our external stewardship commitments.
- Identify tools and information to support investment teams in their stewardship decisions.

SI COUNCIL

Purpose: Create standards and provide expertise to ensure that our products credibly comply with mandatory or commercially important SI regulations and labels.

Membership: Experienced professionals from our investment, client, and infrastructure platforms, including colleagues focused on legal, risk, and compliance issues.

Sample activities: Develop SI regulatory and labeling standards for new and evolving products. Serve as an advisory group for product teams seeking to leverage existing standards to align with SI regulations/labels. Provide input to line management, portfolio management, and product management on a product's alignment with SI regulations and labels.

WMF EXCLUSIONS WORKING GROUP (FEWG)

Purpose: Develop, monitor, and evolve frameworks for client-directed exclusions and enhanced engagement protocols related to economic activities commonly incorporated into portfolios. Wellington research informs these protocols, which are used by select sponsored funds and Wellington clients who elect to adopt this policy upon request; reports to the ISC.

Membership: Experienced professionals from our investment, client, and infrastructure platforms.

Sample activities: Assess client and market expectations related to business activities that Wellington's clients seek to avoid (e.g., antipersonnel mines) or promote (e.g., low-carbon transition, responsible business practices); articulate internal and external communications plans related to enhanced engagement protocols, escalation processes, and exclusions; evaluate new categories for exclusions or enhanced engagement as needed.

Additional details: The FEWG convenes analysts and other subject-matter experts from across the firm to:

- Evaluate the measures that investee companies have adopted to address harmful activities or adverse impacts and develop measures to encourage the implementation of harm-reduction measures.
- Help develop and implement frameworks to ensure a consistent application of rules, as appropriate, for engagement and/or exclusion, and to articulate relevant investment philosophy and process (P&P).
- Make recommendations for exclusion.

In conjunction with subject-matter experts, the FEWG reviews and recommends frameworks and their results, prior to submitting to the ISC for approval. The FEWG continually reviews and approves exclusions or exemptions as recommended by internal subject-matter experts, in accordance with approved frameworks. It also evaluates new categories as needed.

FIRMWIDE STEWARDSHIP AND POLICIES

Our stewardship activities aim to support outcomes that result in competitive returns for our clients over the long term. Engaged stewardship allows us to be committed to deep research and constructive dialogue and, in our view, is integral to our responsibility to our clients. Details about our stewardship policies and guidelines are included throughout this report; the documents themselves are available [on our website](#).

- Global Proxy Policy and Procedures
- Global Proxy Voting Guidelines
- Global Proxy Voting Disclosure
- Engagement Policy
- ESG Integration Philosophy

We also partner with our separate account clients to understand their stewardship and investment policies and how we can best adhere to them. All committees and working groups listed here are responsible for ensuring that our policies and reporting are fair, balanced, and understandable.

1.3 Promoting well-functioning markets and systems

To share and support resilient business practices and sustainable outcomes with the aim of driving value

Our culture of deep research and constructive dialogue with company management teams and boards is at the heart of our engagement philosophy, and our investment-led approach informs our engagement and escalation process. By leveraging our long-standing relationships and understanding of our investee companies and by exercising our voting rights, we believe we can enhance the long-term value of our clients' investments. We vote proxies in the best interests of our clients and, as relevant to the issue and investment approach, engage with companies on consequential risks and opportunities to enhance their resilience and profitability. In our voting, we encourage investment-relevant disclosure at companies as a means of assessing potential issuer-level risks and identifying improvement opportunities. Our sector teams and experienced portfolio managers (PMs) have extensive access to and relationships with company boards and management teams, enabling ongoing, robust dialogue.

Our Voting Policy and Procedures outline our approach to proxy voting, including how we manage potential conflicts of interest and discharge our responsibilities. Our Voting Guidelines set out our general stance on material issues that may arise in the context of our voting as informed owners. Quarterly, we disclose details of our voting decisions [on our website](#) to ensure that our clients and fund end investors have transparency on how we express these guidelines.

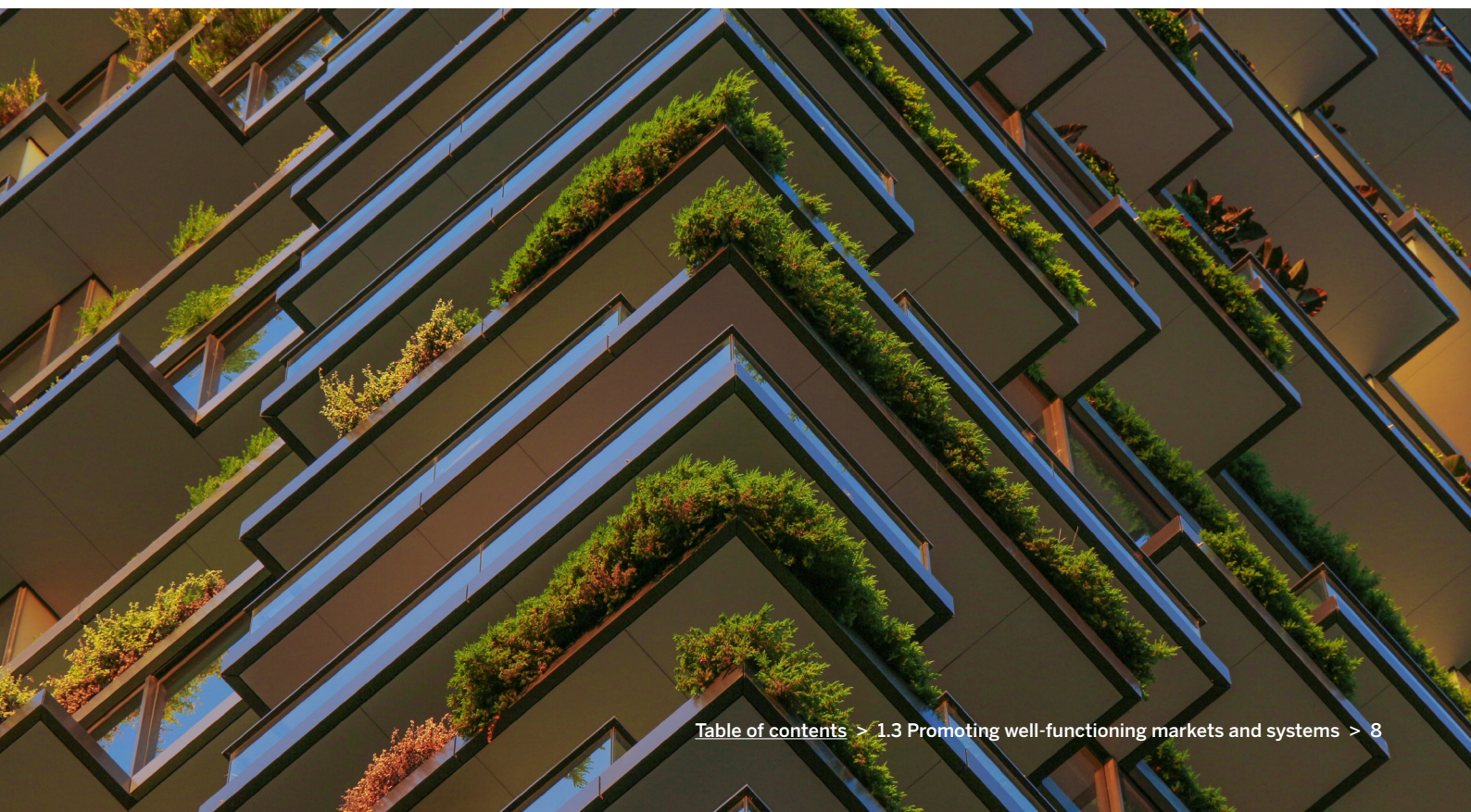
SYSTEMIC ENGAGEMENT

We advocate for public policies and market expectations that we believe are in the long-term best financial interests of our clients. During 2025, we continued to share our comments and perspectives on sustainability-related public policy topics with regulators and trade organizations.

Supporting strong shareholder rights and corporate governance

In 2025, we continued to advocate for shareholder rights and corporate governance, including by participating in International Corporate Governance Network's (ICGN's) Policy Engagement Day in Washington, DC. During this trip, a delegation of ICGN members met with policymakers from the US Securities and Exchange Commission (SEC), Public Company Accounting Oversight Board, US House of Representatives, and the National Association of Corporate Directors.

The ICGN delegation was able to emphasize the importance of constructive engagement with issuers on financially material issues and ask questions about the SEC's upcoming priorities, including simplifying corporate disclosures and changing the shareholder proposal process. Our participation allowed us to illustrate the importance of our focus on the governance issues that are most financially material to issuers and clients.



Encouraging adoption of the International Sustainability Standards Board's (ISSB) Sustainability Disclosure Standards by individual jurisdictions

Starting in 2024, we have been responding to select consultations in jurisdictions considering the adoption of mandatory sustainability disclosure requirements by public companies. These jurisdictions include Hong Kong, Switzerland, Indonesia, China, New Zealand, and the European Union. We expect consultations from additional jurisdictions to continue through 2026 and beyond.

The International Financial Reporting Standards (IFRS) organization and its ISSB-developed [Sustainability Disclosure Standards](#)³ present a comprehensive global baseline centered on financial materiality. This focus addresses a critical issue: the need for consistent, comparable data on sustainability topics most relevant to financial outcomes. Accurate, comparable information is essential to our ability to make informed investment decisions on behalf of our clients. Our response also underscores the importance of interoperability across jurisdictions to reduce the compliance burden for companies. Finally, with input from our ESG sovereign analyst, our response explains the potential benefit of adopting the standards to governments as issuing entities, as improved transparency can help attract private sector capital to complement government spending.

Shaping climate-related transition plan requirements for companies and financial institutions

In 2025, the UK government, through the Department for Energy Security and Net Zero, opened a consultation on climate-related transition plan requirements. The UK government is committed to requiring UK-regulated financial institutions and Financial Times Stock Exchange 100 Index (FTSE 100) companies to develop and implement credible transition plans that align with the country's commitment to the Paris Agreement. This commitment aims to support an orderly transition, increase transparency, and allow companies to capture opportunities from the transition to net zero.

As a member of The Investment Association (IA), Wellington contributed feedback to the consultation from our perspective as both an investor and preparer. The response from IA underscores that transition planning should be part of companies' wider business strategy (rather than simply be a disclosure requirement) and that a "comply or explain" approach supports companies' ability to exercise judgment in determining which disclosures are decision-useful and financially material. It also highlights the importance of standards alignment with other jurisdictions to promote interoperability and reduce compliance burden; and it emphasizes the inclusion of provisions that promote best-efforts implementation such as safe harbor. Finally, the response clarifies the role of asset managers in portfolio-level transition planning by emphasizing that transition alignment and decarbonization objectives are ultimately driven by client mandates and their investment objectives.

For more examples of systemic engagement, please refer to **Section 3.4** for instances of sovereign engagements by our analysts.

³ International Sustainability Standards Board.

INDUSTRY DEVELOPMENT AND PARTICIPATION

We aim to enhance our ability to serve clients through participation in partnerships, affiliations, and industry initiatives. Wellington is a signatory to several industry initiatives and organizations focused on advancing SI practices. Our participation includes:



PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

Signatory since 2012; Head of SI re-elected to the board in December 2024



IFRS FOUNDATION

ISSB Investor Advisory Group (IIAG); Head of SI has been a member of IIAG since 2021, providing strategic guidance on developing the IFRS Sustainability Disclosure Standards



GLOBAL IMPACT INVESTING NETWORK (GIIN)

Member since 2016; align our impact framework and processes with GIIN's core characteristics of impact investing; a member of our Impact Measurement & Management (IMM) Practice sits on GIIN's listed equities working group



TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD)

Member of TNFD Forum since 2022; utilize the TNFD framework to inform how nature-related risks may impact company assessments and investment activities, building upon our work in 2023 to provide feedback prior to methodology finalization



SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Measure alignment of our impact portfolios with the SDGs and targets



IMPACT INVESTING INSTITUTE

A member of our IMM Practice sits on the institute's listed markets community of practice



ESG DATA CONVERGENCE INITIATIVE (EDCI)

Signatory to the global private markets initiative since 2021; through EDCI, we access anonymized peer benchmarking data across key ESG topics, which helps inform engagement with portfolio companies and supports comparability, transparency, and improvement in ESG practices over time



We believe participation helps us gain knowledge, stay current on key issues, and share our perspectives in pursuit of better investment outcomes. We will participate in and apply the principles of these initiatives and organizations only to the extent that we believe that doing so is consistent with our fiduciary duties to our clients. To maximize the research impact of our participation, we are discerning in our evaluation of initiatives and organizations we are asked or encouraged to join.

Importantly, as a participant in these industry initiatives and organizations, we do not form groups, act in concert, or make any collective-investment decisions with other investor participants; nor do we ask, encourage, or allow other participants to represent our views or speak on our behalf. These initiatives and organizations do not provide any individual or collective recommendations, arrangements, agreements, or understandings with respect to any company or its securities, including voting or investment decisions.

Through specific industry initiatives and underlying working groups, we share and gain insights on climate research topics relevant to our investment processes. For example, members of our Climate Research Team contribute to Institutional Investors Group on Climate Change (IIGCC) working groups, such as the Net Zero Bondholder Stewardship group and the Adaptation & Resilience group, developing further practical methodologies.

In December 2020, Wellington became a founding member and signatory to the Net Zero Asset Managers (NZAM) initiative. Effective February 2026, following NZAM's review, we reaffirmed our NZAM signatory status through our European and UK entities, Wellington Management Europe GmbH and Wellington Management International Limited.

SUPPORTING OUR CLIENTS' CLIMATE GOALS WITH A RESEARCH-LED APPROACH

Wellington's climate approach is underpinned by a longstanding focus on scientific research. Grounded in bottom-up analysis and a culture of independent thinking and rigorous debate, our approach to climate research is further strengthened by firmwide collaboration. This multidimensional research enables investment teams across asset classes to evaluate investment opportunities in the context of climate change and assess the effects of climate-related physical and transition risks on securities.

For asset-owner clients who have requested a decarbonization glidepath, we offer a bottom-up glidepath based on the transition alignment of portfolio holdings or a top-down glidepath based on the portfolio's overall emissions footprint. Ultimately, the client's objective and investment team's philosophy and process determine the glidepath and target milestones. These decisions are further shaped by a mandate's region, style, time horizon, concentration, and turnover rate. Please refer to [Supporting our clients' climate goals](#) for more details.

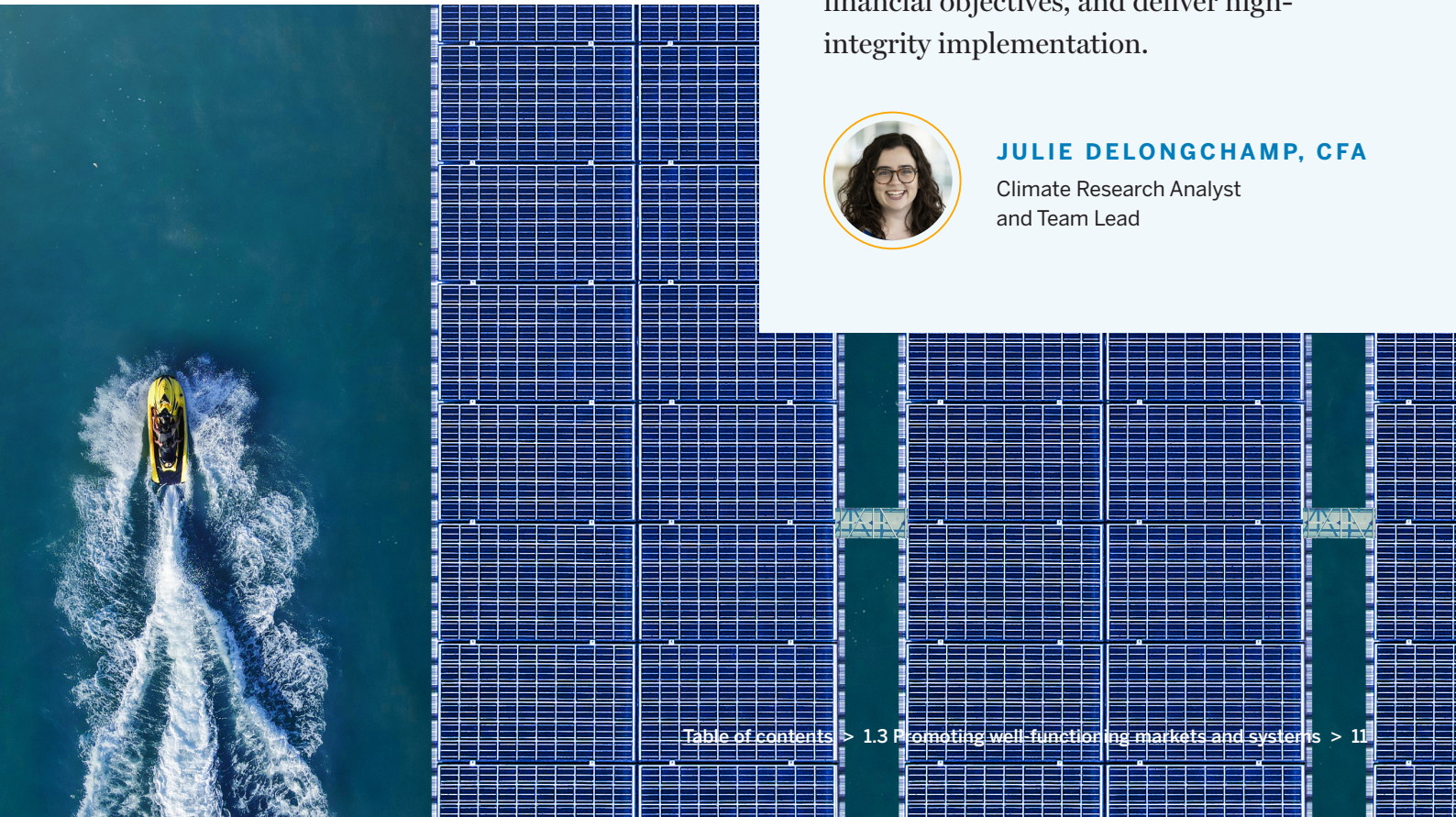


We continue to work with clients to understand their climate goals, strike the right balance between climate and financial objectives, and deliver high-integrity implementation.



JULIE DELONGCHAMP, CFA

Climate Research Analyst
and Team Lead



1.4 Sustainability talent resourcing and risk management

As committed to sustainability and ESG talent recruitment and development as we are to firmwide risk management

TALENT RESOURCING

As of 31 December 2025, more than 40 individuals are dedicated to SI at Wellington. These professionals span the firm's Investment, Client, and Infrastructure platforms.

On the Investment platform, we have 36 dedicated SI professionals, including the ESG Research Team, Climate Team, and Stewardship Team. These teams are central resources that support research efforts across Wellington's community of boutiques. This figure also includes investment teams that manage nonconcessionary sustainable investment strategies. Complementing these teams are eight additional professionals from our Client and Infrastructure platforms who are dedicated to supporting the firm's SI efforts through client engagement, reporting solutions, and other means. Outside these groups, many other professionals contribute to Wellington's SI efforts as part of their broader roles. These include, but are not limited to, members of our Risk, Technology, Product Management, Legal, Compliance & Risk, Guideline Monitoring, and Private Investments Value Creation teams.

INCENTIVES

We design our compensation plans to be fair and motivational over time to attract and retain the best professionals in the investment industry. We provide them with incentives to excel, and we reward superior performance. Compensation arrangements for investment professionals typically include a base salary component and one or more variable components.

Generally, each investment professional is eligible to receive an incentive payment for which the primary determinant is the achievement of client objectives. As relevant to each professional's investment P&P, financially material sustainability considerations are incorporated into compensation decisions, if those considerations are determined to have affected investment performance.

In addition, Wellington's remuneration of investment professionals and those tasked with monitoring investment activity incentivizes compliance with explicit obligations to consider sustainability risks stemming from client guidelines or fund documentation. Wellington's remuneration policies are consistent with and promote sound and effective risk management and do not encourage inappropriate risk-taking. More generally, our investment professionals develop their own investment approach whereby they integrate ESG and sustainability considerations into their research and decision-making processes to the extent that they believe these issues may affect the long-term success of a company and investment returns. This can manifest itself within the investment thesis or portfolio weighting for a particular security, as well as within our proxy voting and company engagement efforts.

Where appropriate, a portfolio manager's incentive payment relating to the relevant client account is linked to the gross pre-tax performance compared to a specific benchmark index and/or peer group over one-, three-, and five-year periods, with an emphasis on five-year results.

A key input into the determination of variable compensation is the peer review process. Analysts, including ESG analysts, are eligible to receive discretionary bonuses based upon their success in having their recommendations implemented in client portfolios across the firm and feedback from portfolio management teams regarding their overall effectiveness. ESG analysts receive feedback from the investment professionals with whom they work most closely on ESG research, engagement, and portfolio integration.

For the investment teams (portfolio managers and investment analysts) managing strategies on our SI platform, specific metrics for ESG and/or impact performance are also incorporated in the goal setting, evaluation, and remuneration process. Portfolio-based incentives across all accounts managed by an investment professional can, and typically do, represent a significant portion of an investment professional's overall compensation. Additionally, a significant number of our professionals are partners of Wellington Management Group LLP or managing directors of the firm, and therefore receive additional merit-based compensation based on the overall performance of the firm and their individual contributions to firmwide results.

RISK MANAGEMENT

The firm's approach to enterprise risk management relies on three lines of defense: Line management, second-line risk management, and third-line independent assurance functions governed by Wellington's Risk Committee (RC). Line management has primary responsibility for the management of the risks inherent in their respective business functions. Various independent risk functions partner with line management to strengthen their management of risks by providing expert advice, guidance, constructive challenge, risk monitoring, and oversight. The RC oversees and reviews principal components of the firm's risk-management framework by focusing on three pillars: operational, regulatory, and business/strategic risk. Reputational risk is an integral element of each pillar, and the RC considers the impact of each risk on the firm's reputation. The primary responsibilities of the RC are to:

- Advise on risks across the firm to enable appropriate risk-based decisions to be made.
- Embed and maintain a supportive culture that enables us to achieve client and firm objectives.
- Oversee identification of and focus on current and emerging risks.
- Act as an adviser, sponsor, and advocate for risk-mitigation initiatives.
- Challenge the firm's line- and risk-management functions on the effective management of risk.

The RC oversees other operational and regulatory risk-focused committees and may coordinate efforts with regional risk committees as needed. It may also call upon additional firm resources to address specific issues or provide updates. The RC's activities are supported by second- and third-line functions including, but not limited to, Legal and Compliance & Risk. These functions collaborate on specific initiatives, oversight committees, and other ways to ensure a holistic approach to the management of the firm's key risks.

ENTERPRISE RISK

Responsibility for analyzing and managing operational risk rests with each business line, with support from our second-line Enterprise Risk organization and oversight from the firm's risk committees. The Enterprise Risk organization reports to the chief risk officer. The Risk Management Team within Enterprise Risk advises and challenges line management on risk identification, monitoring techniques, risk-aware decision making, risk-control design, and the development of risk priorities and mitigation strategies. We do this to meet the expectations of our clients and regulators and to serve our business objectives. The Risk Management Team also works with each business function globally as an independent adviser to address cross-functional and/or major operational risks.

Enterprise Risk provides risk-management expertise across non-investment-risk areas, including operations, information security, technology, life safety, third-party risk, business resiliency, and other related risk-management processes. The various Enterprise Risk teams are each charged with providing specialized advice and challenging analytical objectives with stakeholders across business teams, oversight committees, and affiliate boards. These distinct teams collaborate closely to create an engagement model that is client centric, disciplined, and pragmatic. We believe the integration of these component risk disciplines allows us to have an even greater impact in promoting strong client outcomes.

INVESTMENT RISK

Management teams within each of Wellington's investment groups are responsible for overseeing portfolio managers and the accounts they manage. These teams are supported by risk strategists in Global Investment Risk & Performance Strategy (GPS) and product management. Together, these groups support the firm's fiduciary responsibility by reviewing investment processes, risks, and performance. While accountability remains with management teams, the firm benefits from multiple groups providing specialized expertise and perspective.

GPS serves as a center of expertise in quantitative investment risk measurement and application of risk into decision processes across all public investment mandates. Its responsibilities include risk measurement; identification of quantitative and qualitative portfolio risks; and ensuring that investors, line management, and product managers have appropriate visibility into, and understanding of, those risks. GPS works closely with investment teams as an advisor on the alignment of investor intention and portfolio risk composition. The group also works closely with management to shed light on outliers and trends across the Investment platform and provide a data-driven lens on investment risk oversight, and it participates in internal investment and risk committees.

The Investment Risk Review Group (IRRG) and the Private Investments Oversight Committee (PIOC) — comprised of experienced investment professionals — support management teams in fulfilling their investment risk oversight responsibilities. Both groups report to the Investment Risk Oversight Governance Committee (IROGC), which is part of the Investment platform's governance structure and reports to the Executive Committee. IRRG, PIOC, and IROGC provide input into management teams' supervision of investment activities.

Portfolio managers receive feedback primarily from management teams and may also receive input from risk strategists, investor development coaches, and product managers. Feedback is shared with line management and other relevant groups. Management teams seek to formally review each portfolio management team they oversee at least once every 18 months.

SUSTAINABILITY RISK

We have a Sustainability Risk Consideration Policy, available on our [website](#), to inform sustainability risk management in Wellington’s investment functions. This policy provides a framework that encapsulates the types of risks teams may incorporate. For example, investment teams may incorporate climate analysis in the context of their investment objective and time horizon, and as an authentic aspect of their investment philosophy. As sustainability data and risk measurement evolve, we expect to continue enhancing our processes to inform our management of these risks.

As relevant to each team’s investment P&P, investment teams aim to assess sustainability risks, governance principles, and economic activities that may affect the financial returns of their strategies. As increased transparency and consistency are provided with growing compliance with ISSB reporting, which incorporates and replaces the former Task Force on Climate-related Financial Disclosures (TCFD) framework, combined with global efforts to require improved disclosure of a broad set of investment-relevant metrics, our ability to test exposure to various sustainability risks should improve. Thanks to our research collaborations with Woodwell Climate and MIT CS3, we continue to expand our capabilities to assess and engage on physical and transition risks with relevant issuers. We expect the quality of sustainability risk reporting to evolve.

A key component of our risk-management strategy is the development of a fuller understanding of sustainability-related risks among our analysts, portfolio managers, and product management teams. There are several ways in which learning takes place. Ongoing interactions between our investment teams, ESG analysts, and global industry analysts (GIAs) regarding company engagement, proxy voting, and portfolio reviews are opportunities to educate investment teams on potential sustainability risks and opportunities. These stakeholders often participate in our dialogue with companies, and we share engagement information using a central platform. Analysts also regularly discuss issuers, write investment notes, and make comments in our daily Morning Meeting, an internal global investment discussion forum.

INFORMATION TECHNOLOGY RISK

Information Technology (IT) is responsible for governing this function firmwide. IT is supported by committees and working groups that provide governance of and assistance on risk mitigation. The chief technology officer and their direct reports lead IT and oversee technology risk management, software development, and overall technology strategy. Our Technology Governance Committee (TGC) and Technology Risk & Controls Board (TRCB) support IT. The core of the IT risk-management process is based on the Information Technology Infrastructure Library set of practices for IT service management. This covers change management, problem management, and incident management. The TRCB and the Change Advisory Board (overseen by the TRCB) govern and review these processes.

INFORMATION SECURITY RISK

The Information Security Team, in close partnership with the TRCB, senior management, and the various business functions represented by the Information Security Council, is responsible for establishing and overseeing risk-aligned controls intended to safeguard the confidentiality, integrity, and availability of client and firm information. The Information Security Team reports to the chief information security officer and chief risk officer. The Risk Committee oversees the Information Security Program.



1.5 Resolving conflicts of interest

A client-centric approach

As a fiduciary, we seek to place the interests of our clients first and avoid conflicts of interest. Some conflicts are inherent in any large, global investment-management business, while others are a result of our business model. We have adopted and implemented policies and procedures that we believe are designed to manage conflicts if they occur, including those that arise from our stewardship activities. Our Code of Ethics applies to all Wellington Management personnel worldwide. The code describes the standard of conduct we require of our personnel and sets forth certain restrictions on activities, such as personal trading and gifts and entertainment.

Annually, the ISC sets standards for identifying conflicts based on client, vendor, counterparty, lender, or strategic business partner relationships, and publishes those standards to individuals involved in the proxy voting process. We further require personnel within the investment functions to identify family and close personal relationships that could present a conflict of interest that may affect their ability to act impartially in relation to proxy voting.

Potential conflicts may be resolved by voting in accordance with our published Global Proxy Voting Guidelines. Alternatively, where the published voting guideline is case specific, where no published guideline exists, or where the proposed voting position is contrary to a published guideline, three disinterested internal ombudsmen from the ISC are appointed. Their role is to review the voting recommendations, oversee any discussion or debate with respect to the proposed votes, and ensure that votes are executed solely in the best interest of our clients.

Where a material, self-disclosed personal conflict is identified in relation to proxy voting, the conflict may be mitigated by assigning voting responsibility to another investment professional or directing it to three disinterested ombudsmen from the ISC.

In addition to our voting process at the general meetings of companies where conflicts may arise, we seek to engage with issuers who are Wellington business partners as thoroughly as we do with issuers who are not. Our intent with these activities is to prioritize our clients' interests above our own.

For example, our conflicts of interest process affirmed the reassessment of a proxy vote on a financials company with which we have a corporate relationship and in which we invest on behalf of clients. For several years, we had been concerned about — and voted against — a lead independent director who we believed had taken on excessive commitments, lacking capacity to meet board responsibilities and help address key challenges facing the company. In 2025, based on guidance from the analysts covering the company and several years of constructive dialogue with the board that evidenced the director's depth of understanding and engagement in the company's strategic context, we reassessed our position on this issue. Our ombudsmen reviewed the vote and determined our revised position to be in our clients' best interest. This voting decision was also informed by the update to our firm-wide overboarding guidelines, which we undertook following broad outreach and engagement to form a better understanding of director time commitments.

Our [Stewardship Conflicts of Interest Policy](#) is available on our website.



1.6 Alignment with clients' stewardship and investment policies

A significant share of our AUM is held in separately managed mandates. This structure enables us to consider clients' specific investment policies, guidelines, and restrictions when managing portfolios. We work with clients to understand their investment policies and objectives and agree in advance how these may be reflected in portfolio management. Where relevant, we also discuss any practical or strategy-specific limitations related to incorporating guidelines or sustainability considerations and aim to determine how these may be reflected within the mandate.

Once assets are under management, portfolios are managed in accordance with the agreed mandate guidelines and our investment processes. Some client mandates include specific guidelines, such as exclusion policies or other investment restrictions. We also collaborate with certain clients on the development or implementation of investment approaches that incorporate specified environmental or social considerations, including approaches intended to support decarbonization objectives. Clients' priorities may differ across a range of environmental and social topics, and views on material issues can vary.

In implementing investment and stewardship activities, we seek to act in the best financial interests of our clients in our capacity as investment manager.

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We aim to drive better investment outcomes for clients through informed, nuanced analysis and constructive dialogue with issuers.



ELLEN CHAE

Head of Sustainability Group

IMPLEMENTATION, CLIENT COMMUNICATIONS, AND REPORTING

Our internal systems contain the rules applied to each account, and these are tested within our compliance-screening processes. Compliance screening can be performed on a pre-trade basis, in an overnight post-trade process, or both. Each client's account guidelines are entered into the monitoring systems.

As part of our standard sustainability reporting, we share details on stewardship activities and voting records for holdings in relevant client portfolios, delineating portfolio-level engagement topics and visually summarizing our activity. We include ESG ratings and carbon emissions information, identifying all holdings on which we have engaged. The proxy voting reporting for clients who have asked us to vote on their behalf is available in various forms and reporting cadences.

Our regular interactions with clients help us understand their needs and respond to their feedback. For example, beyond proxy voting activity, some clients require additional detail on broader stewardship and engagement activities. To respond to this, we leverage our proprietary engagement tracking and reporting tools, which allow us to share enhanced engagement information. This technology continues to evolve to meet our investment teams' needs and our clients' expectations.

Our SI reporting team introduces enhancements to our reporting suite in partnership with cross-functional subject-matter experts across the firm. Following this consultation process, the team drafts sample reporting for review by the Investment platform and other subject-matter experts, who consider appropriateness amid global expectations. Factors they consider in the review and approval process include:

- Data accessibility, coverage, and integrity.
- Whether sustainable data points are considered as part of the investment management process and applied consistently across all holdings in the portfolio.
- Whether appropriate disclosures on the nature of the approach/fund have been included to create a clear and accurate representation of that approach/fund.

Section 2: Sustainable investment approach

Our research shows that sustainability considerations continue to affect markets and economies in new ways. In our view, consideration of consequential sustainability risks and opportunities gives investors and the companies and issuers they invest in greater ability to drive value and create competitive advantages. For our SI strategies, our goal is to achieve our clients' investment objectives by incorporating sustainability risks and new opportunities into our investment approaches — where they align with client/fund investment objectives. Pursuant to that goal, we aim to leverage what we consider to be our SI edge: a research-based, credible, future-facing approach grounded in the pursuit of investment excellence.

2.1 Integrated research

To help mitigate risk and enhance returns

At Wellington, we believe that material ESG risks and opportunities can affect the long-term value of the assets in which we invest; therefore, it is in our clients' best interest for us to analyze and consider these issues as part of our investment mosaic. To that end, our dedicated sustainability research specialists include our ESG analysts and Climate Research Team, as well as researchers focused on policy, strategy, impact measurement, and stewardship.



Collaboration is one of our greatest differentiators. Through our research hubs, investment analysts and portfolio managers from equities, fixed income, commodities, climate research, ESG research, and sector teams come together to share insights from their unique perspectives. This mosaic helps us develop a clearer, more holistic understanding of complex issues.



WENDY CROMWELL

Head of Sustainable Investment

ESG RESEARCH IN PUBLIC MARKETS

ESG research is embedded within the sector teams on our Investment Platform and available to all portfolio managers and investment teams. As part of their process, our ESG analysts work closely with global industry analysts and credit analysts and help investment teams integrate these considerations into their respective P&P. Strong connectivity and communication between ESG analysts and the broader investor group supports increased fluency, deeper analysis, and a more comprehensive approach to ESG integration. We do not treat ESG analysis as a separate, siloed function. This approach reflects our view that the risks and opportunities captured by this work could be material to the core investment decision-making process and, therefore, to our clients' investment outcomes.

ESG analysts, based in Boston, London, and Singapore, share their ratings and research via our central collaboration tools and share insights with PMs at our daily Morning Meetings, sector team meetings, and investment team discussions. Our ESG analysts have developed proprietary ESG materiality frameworks that define the key issues for each sector and identify metrics for assessing issuer performance. These frameworks are the cornerstone of our ESG research process. While the analysts communicate with PMs via informal conversations, email, and other means in the normal course of research, they may also meet with PMs for more structured ESG portfolio reviews. In these meetings, each analyst highlights the most financially material ESG issues for their sector and portfolio companies and identifies potential areas for further engagement.

Investment teams may access and incorporate ESG analysts' research with that of our equity, credit, macro, quantitative, and sovereign analysts to enhance their overall fundamental research. By combining these analytical viewpoints to inform investment decision making and deepen the constructive dialogue with portfolio companies, we strive to unlock value, enhance long-term investment returns, and identify issuer-level risks and opportunities.

As our clients' fiduciaries, our investment teams may provide feedback via voting and engagement, indicating opportunities for companies to utilize best practices and contribute to the long-term success of the business. In this way, our investment research and stewardship activity serve as a feedback loop to drive value. When companies improve upon the material issues that we believe could affect investment outcomes, our clients should benefit.

Because Wellington does not have a chief investment officer, each portfolio manager and investment team develops their own P&P, aligned with the outcomes they pursue for clients. This structure alongside our collaborative culture fosters idea sharing and constructive debate across the more than 50 investment teams at the firm. This structure also allows each team to integrate ESG considerations as relevant to their P&P. For example, some investment teams may focus on companies they believe have best-in-class practices that will help the business compound value over time. Other teams may focus on companies that, in their view, have improving practices that the market has not yet recognized and that may create dislocation opportunities. We believe this type of bottom-up assessment allows ESG integration to become more authentic to the investment process.

We also believe that our investment dialogue is strengthened by having teams with different investment philosophies share and debate ideas. For many investment teams, ESG research is an input or lens to help assess the value of investments. The weight or prominence of this input differs in large part on the ESG issue, investment strategy, asset type, and team P&P. ESG considerations can manifest in the investment thesis or portfolio weighting for a particular security, as well as via proxy voting and company engagement efforts.

See **Sections 2.2** and **3.4** for ESG integration and engagement examples.

TECHNOLOGY SOLUTIONS

We continually seek to develop tools and technology to help interested investment teams view SI holistically. Wellington's integrated research model convenes expertise across ESG, equity, credit, climate, and macro lines. We believe this approach helps us assess interconnected sustainability risks and opportunities across issuers and portfolios. This work is supported by our proprietary technology and analytics platform, Mosaic, which hosts the SI Research View and SI Portfolio View (see below), which functions as a hub-and-spoke ecosystem that centralizes research sharing, portfolio analytics, SI data, and proprietary ratings at the issuer and portfolio levels. Together, these tech solutions enable investment teams to coordinate education, portfolio analysis, and research across issuers, sectors, and portfolios.

Sustainable Investment Research View (SI Research View)

The SI Research View is a centralized access point for investment teams to view internal and external SI research, ESG and climate ratings, metrics, engagement notes, and SDG revenue alignment, consolidating issuer-level data and providing links to related SI tools and dashboards that were previously dispersed across internal systems and vendor portals.

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Our ESG analysts' sector and thematic expertise allows for holistic and integrated analysis of how material issues may affect corporates or sovereigns.



SEAN CAPLICE

ESG Analyst

Sustainable Investment Portfolio View (SI PV)

The SI PV is a dashboard that provides investment teams with a consolidated, benchmark-relative or absolute view of portfolio ESG and SI characteristics. It incorporates proprietary and sovereign ESG ratings, carbon footprinting, SDG alignment, Sustainable Finance Disclosure Regulation (SFDR) principal adverse indicators, and measures of exposure to climate physical and transition risks. It also identifies high-exposure laggards that may warrant engagement.

SI technology support: Monitoring data vendors

To support SI and ESG initiatives, Wellington sources data from multiple market and ESG providers, onboarding it centrally through the Reference Data Platform (RefDP) to ensure consistent mapping of security, issuer, and ESG-level attributes across investment tools. Data quality is overseen by the Reference Data and Data Governance teams through ongoing feed monitoring, issue tracking in the Data Control Tower, vendor engagement, and trend analysis via dashboards, with remediation plans or contract termination used where standards are not met. In parallel, Wellington conducts risk-based due diligence on new and existing third-party providers, including enhanced reviews for critical or nonpublic data relationships, covering operational, security, financial, and governance considerations.

SUSTAINABILITY IN PRIVATE MARKETS

Support for private portfolio companies

Wellington's Value Creation Team provides our portfolio companies with sustainability and business support, leveraging the firm's investment experience in public and private markets. This team aims to help minimize risk and maximize value across a portfolio company's life cycle and can assist companies with access to experts, community building, knowledge sharing, and stewardship to that end. This work begins pre-investment with ESG diligence support and continues post-investment via our partnership approach. By providing tailored support to help companies reach their next growth stage, we believe we can drive better financial outcomes.

The Value Creation Team seeks to establish a productive two-way dialogue and provide companies with an informed, long-term view, sharing valuable market- and company-specific guidance. This includes offering a mix of sustainability and business support, such as:

- **Market intelligence and IPO readiness:** Giving our portfolio companies access to sector, macro, and thematic experts to help them anticipate evolving investor expectations and regulatory requirements.
- **Business development and corporate access:** Facilitating targeted introductions to potential public market partners and customers by leveraging Wellington's global network.
- **Compensation benchmarking analysis:** Assessing executive and employee pay programs relative to public and private peers and supporting informed compensation decisions via our Executive Compensation Guide.
- **Board composition and governance:** Building director skills matrices, identifying potential board candidates via our Wellington Leadership Circle, and supporting boards with our Governance Guide.
- **Human capital management (HCM):** Partnering with management teams to strengthen talent management, organizational development, and employee engagement using our HCM Toolkit.
- **Custom business-sustainability roadmaps:** Applying internal and external insights to identify long-term strategic sustainability priorities and company-specific opportunities for improvement.
- **Climate and impact resources:** Providing resources for carbon accounting, climate-risk assessment, impact measurement and management, and stakeholder communication.

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Our team's goal is to leverage the best of Wellington for the benefit of our portfolio companies in ways that help them achieve sustainable long-term success.



HILLARY FLYNN

Director, Value Creation

PRIVATE COMPANY ENGAGEMENTS IN PRACTICE

Through targeted engagement, we support private portfolio companies on governance, sustainability, and other emerging topics that are increasingly material to long-term performance. These engagements draw on Wellington's broader research, stewardship, and sector expertise to help companies manage risk, strengthen decision making, and prepare for future growth and investor expectations.

EXECUTIVE COMPENSATION BENCHMARKING

We supported a biotech portfolio company in reviewing its compensation philosophy and C-suite pay structure. This engagement combined private market benchmarks with public market data from a custom peer set and incorporated perspectives from a Wellington ESG analyst covering public biotech companies. The work provided sector-specific context to inform compensation design and alignment with evolving governance expectations.

SUSTAINABILITY ROADMAP DEVELOPMENT

We partnered with a growth-stage industrial technology company to develop a Sustainability Roadmap outlining near- and longer-term strategic priorities. The roadmap recognized the company's strengths in employee engagement and development while identifying opportunities to enhance supply chain oversight to support operational resilience, accountability, and long-term value creation.

ARTIFICIAL INTELLIGENCE (AI) ADOPTION AND GOVERNANCE SUPPORT

At the request of a late-stage portfolio company seeking to better understand AI adoption trends among similarly sized private companies, we developed an AI Pulse Survey to provide comparative insights on use cases, vendor selection, and potential workforce implications. The survey gathered responses from 56 private companies across the portfolio, enabling the company to better contextualize its AI strategy. To complement these insights, we convened an AI-focused Chief Technology Officer Forum, creating a forum for technology leaders to share practical perspectives on AI implementation and governance.



CLIMATE RESEARCH

Our approach to climate research is based on bottom-up analysis and collaboration among our investment teams, ESG analysts, Climate Research Team, and our climate research partners Woodwell Climate and MIT CS3. The Climate Research Team translates this scientific knowledge into actionable investment insights available to investment teams across the firm via proprietary tools and metrics and customized portfolio analysis. Each investment team is responsible for considering climate risk management within its investment process, using its individual P&P to guide the extent — if at all — to which climate insights are financially material to its investment decisions.

Physical climate risks

In 2018, we launched a research collaboration with Woodwell Climate, a leading independent climate research institute. Working with climate scientists, the goal of this collaboration is to deepen our understanding of how physical climate risks affect the securities we invest in on behalf of our clients. Climate science is complex, however, and climate models do not easily translate into financial models and projections. Our Woodwell Climate relationship brings together the latest scientific data and Wellington's dedicated Climate Research Team to enhance our physical-climate-risk analysis and integrate this research into investment teams' unique philosophies and processes.

That research has resulted in several practical tools available to all investment teams at the firm. We leverage proprietary data-driven tools and technology, including our Climate Exposure Risk Application (CERA) geospatial application that enables investment professionals to visualize and quantify physical climate risks for a wide variety of securities and real assets.

Climate transition risks

Since 2022, Wellington and MIT CS3 have been collaborating on transition-risk research. The alliance allows us to enhance our research on energy transition, particularly with regard to our understanding of the expected financial impacts of various transition pathways on industries and economies, and to deepen our decarbonization engagement practices. The MIT CS3 team of natural and social scientists provides our investment teams with updates on their existing research on climate-change projections under various environmental, economic, and policy scenarios.

Biodiversity risks

Consistent with our data-driven climate research, our approach to biodiversity focuses on financial materiality across regions, industries, and securities over the long term. We have found that research on biodiversity loss is complementary to our climate research, given the many direct and indirect interrelated impacts. Our work with Woodwell Climate and MIT CS3 has helped us identify the critical links between biodiversity, transition, and physical climate risks and inform how these considerations may be financially material to the long-term value of securities. For example, within CERA, we have mapped water scarcity and drought measures and can determine which geographies or municipal-, company-, and supplier-specific locations may have the greatest potential exposure to water usage and deforestation-related biodiversity risks.

Please refer to [Our approach to biodiversity](#) for more details.

KEY CLIMATE-ANALYTICS TOOLS

The Climate Research Team offers investment teams climate-focused portfolio reviews covering physical, transition, and biodiversity risks and opportunities. It also develops dashboards to facilitate company- and portfolio-level monitoring and support collaborative research.

CLIMATE EXPOSURE RISK APPLICATION (CERA) — PHYSICAL-RISK ASSESSMENTS

Developed with Woodwell Climate, CERA is a geospatial physical climate risk tool that integrates spatial finance and climate data to help investment teams identify asset-level risk hot spots across seven climate hazards and support issuer analysis.

The Climate Research Team applies the information and insights from CERA, along with company disclosures about resilience planning and measures, to issuer analysis. This work facilitates integration of climate science into fundamental investment insights by bringing physical risk to the issuer level and suggesting practical next steps, including questions for engagement.

CARBON EMISSIONS DASHBOARD — TRANSITION-RISK ASSESSMENTS

Our Carbon Emissions Dashboard enables investment teams to analyze company-level transition risk through peer-relative carbon metrics, historical and target-based emissions-intensity trends across Scopes 1–3, and detailed Scope 3 comparisons and category breakdowns to identify how emissions profiles connect to business strategy.

TRANSITION ALIGNMENT RATING (TAR)

The TAR is a quantitatively derived, forward-looking rating that combines multiple metrics and utilizes industry- and region-relative comparisons. It aims to help investment teams identify and engage public companies on the most material transition risks and opportunities and track incremental progress toward credible transition plans. Given data limitations today, our quantitative transition risk analysis is complemented with qualitative assessments based on insights derived through research and engagement, often led by ESG analysts.

NET ZERO PORTFOLIO VIEW (NZ PV)

To support portfolio-level transition risk aggregation and client net zero commitments, we use the NZ PV in Mosaic to calculate historical, current, and projected weighted average carbon intensity (WACI) versus benchmarks and client-defined decarbonization glidepaths, with issuer-level drilldowns to identify engagement candidates. The tool also incorporates financed emissions economic intensity and expanded Scope 3 estimates to support research, client dialogue, regulatory comparability, and cross-industry consistency.

Please see our [annual Climate Report](#) for more details on our climate-focused investment tools.

IMPACT RESEARCH

Wellington's impact investment teams prioritize a thorough evaluation of impact for strategies in which we aim to achieve tangible positive environmental or social outcomes in addition to robust financial returns. IMM includes clearly defining the criteria that qualify a company for inclusion in our impact opportunity set, conducting in-depth research to ensure that these impact criteria are met, and reporting on and analyzing this data to maximize real-world positive impact.

While IMM began in the realm of impact investing, it is now increasingly adopted by investment teams who manage other sustainable or thematic strategies, even if they are not classified as impact. These teams may use IMM to highlight their contributions to real-world impact, emphasizing environmental or social outcomes as key components of their philosophy and process. Partnering with the IMM Practice ensures that the methodology and process used align with industry standards and allow the investment team to utilize existing key performance indicators (KPIs) or research where available. In some cases, analyzing KPI trends can provide a unique perspective for evaluating portfolio companies and prioritizing engagement questions. Our public-market impact reporting includes social and environmental KPIs as well as detailed case studies on some of our portfolio holdings to illustrate how we evaluate a company's impact and incorporate it into our investment decisions.

KPI TRACKER

The KPI Tracker in Mosaic provides certain SI teams with a centralized tool in which to log issuer KPIs, revenue materiality, investment themes, commentaries, and other IMM data; to calculate potential engagement targets based on KPI growth; and to support KPI tracking and analysis across a broader set of sustainability focused teams.

THEMATIC RESEARCH PRIORITIES

Given the breadth of investment approaches we manage for clients and the evolving economic landscape, we research an ever-expanding range of financially significant sustainability topics.

CLIMATE CHANGE

We continue to develop our climate research in multiple ways. Building on our multiyear research efforts, the following are examples of focus areas in 2025. First and foremost, the implications for power demand, specifically from AI and reshoring, are an increasingly important focus area of our transition-risk research. AI innovation and associated data center build-out, combined with reshoring of production to the US following the implementation of tariffs, has intensified power-demand expectations.

Last year, we also explored the topic of reshoring with MIT CS3, considering a case study from the steel industry as an example of US tariffs leading to reshoring. This analysis examined the impacts of tariffs on overall steel production and subsequent US electricity demand. The work indicated that power demand growth is being met by a combination of power sources, a situation that could delay planned coal plant closures.

We continued our climate research on insurance markets, focusing on the implications for real estate prices. This analysis incorporated forward-looking projections from Woodwell Climate's catastrophe model to represent current risk compared to the regulation-mandated historical period used by many insurers. Our research uncovered that the difference in the rate increase of insurance premiums relative to the increase in average annual loss expands with the integration of forward-looking projections. While some insurers are not permitted by regulators to use forward-looking climate projections in their catastrophe models, premiums have increased over recent years, nonetheless.

For real estate, this made traditional insurance increasingly unaffordable, causing some real estate investment trusts to reduce their risk exposure by installing resilience measures at their properties or, in extreme cases, by self-insuring.

Our research with Woodwell Climate also incorporated physical climate signals into our assessment of the growing season of certain soft commodities, many of which are grown in regions vulnerable to extreme weather events. This work resulted in the development of a new drought-monitoring tool, which can be used to evaluate climate conditions during the growing season and adjust supply expectations of these soft commodities. These insights also inform ongoing research to consider impacts on adjacent industries such as agriculture-linked consumer products.

SUPPLY CHAINS AND LABOR

In 2025, we continued our supply chain and labor research with the goal of driving investment returns through better risk assessment and promoting the adoption of modern slavery risk-management guardrails at particular investee companies. When companies lack labor-rights transparency or oversight in their operations or supply chains, adverse effects such as reputational damage, legal fines, and supply disruptions may occur. These factors can collectively erode profitability and weaken the company's financial position.

Our work in this area focuses on supporting investment-led risk assessment and constructive dialogue with issuers on labor and supply chain practices that may be financially material. We draw on internal research, issuer disclosures, and targeted engagement tools to improve our understanding of how companies approach labor-related risks within their operations and supply chains.

These insights help our ESG analysts and portfolio managers — as relevant to their investment P&P — identify companies where governance, policies, or controls may warrant closer attention. Internal insights also help inform engagement priorities, with the objective of encouraging practices that support operational resilience and long-term value creation.

We expect our approach to labor related and human-rights-related risk assessments to evolve as data availability, disclosure standards, and internal frameworks mature.

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Climate solutions are increasingly being adopted because they deliver clear, timeless economic benefits, including lower costs, greater efficiency, and stronger resilience.



ALAN HSU

Equity Portfolio Manager

2.2 Innovative strategies

To translate sustainability research into client-oriented outcomes

In addition to our efforts to integrate material ESG considerations, where relevant, into our investment processes, we manage four categories of dedicated SI approaches, comprising strategies that view sustainability considerations as a core component of their primary investment philosophy:

- Stewardship
- Sustainable themes
- Climate
- Impact

STEWARDSHIP

Great stewards manage financial, natural, and human capital responsibly and strategically to protect and enhance the value of their companies for generations to come.

Our Global Stewards investment team's philosophy is to invest in companies with high returns on capital and strong corporate stewardship. It views stewardship as an underappreciated driver of long-term value creation in companies. The team believes that strong stewardship can help companies lower their cost of capital, become more durable and resilient, and sustain returns on capital over time. This, in turn, can allow a company to continue to allocate capital toward further improving its stewardship credentials. This approach may help generate a virtuous cycle or flywheel effect that can improve both profitability and future stewardship.

The team:

- Defines stewardship as how companies balance the interests of all stakeholders in the pursuit of sustainable returns.
- Believes good stewards must possess strong management teams, durable governance structures, thoughtful allocation of capital and resources, a long-term orientation, and consideration of all stakeholders.
- Believes superior stewardship could potentially help a company be more resilient and adaptable over time to help sustain high return on capital.

Poor resource or capital allocation decisions often result in negative outcomes that can detract value from companies. The Global Stewards investment team expects companies to make difficult trade-offs to protect returns for shareholders; ensure a loyal, engaged, and productive workforce; maintain a reliable supply chain; safeguard sustainable access to raw materials; and adapt to the energy transition. Recent advances in data technology and AI are capital and energy intensive and are redistributing power away from labor. These are meaningful stakeholder challenges to companies as they adapt their strategies and investment priorities.

The Global Stewards team believes the most resilient and accretive way to navigate this period of rapid technological change is to own shares of companies that evolve their strategies deliberately and profitably, reinvesting in their stakeholders as enablers of successful and durable change. The team seeks to avoid businesses that generate returns at outsized costs to stakeholders, which could jeopardize future returns on invested capital. This focus on corporate stewardship and robust resource allocation decisions can potentially help the team identify companies committed to improving performance, innovating, and building resilience.



SUSTAINABLE THEMES

Socially and environmentally positive themes underpinned by structural economic drivers are central to the investment philosophy in pursuit of value creation and/or risk management.

Secular themes can change the world. Thirty years ago, biotechnology and renewable energy were barely investable but have since become substantial opportunity sets. Thirty years from now, investors may look back on newer themes that cut across traditional investment industries and sectors, including climate innovation, cybersecurity, AI, and the circular economy as similarly underappreciated opportunities. Our sustainability framework, engagement with company management teams, and disciplined fundamental analysis aim to help identify value within these evolving thematic ecosystems.

The dynamics that sustain economic progress are typically more enduring than near-term growth drivers, and these secular trends can provide a wide range of investment opportunities.

The managers of our Sustainable Outcomes approach believe companies whose products, services, operational practices, or business activities contribute to long-term, positive outcomes for our clients and stakeholders and can emerge as market leaders.

Building a sustainable future will require investment across nearly every sector and the activation of a broad ecosystem of participants. Our Sustainable Outcomes investment team believes that companies can help reshape how systems operate through innovation, scale, cooperation, and intentional capital allocation, including progress toward the underlying targets of the SDGs. The deployment of capital on a global scale creates inefficiencies, leading to dispersion in growth rates, valuations, and returns. In our view, an active approach to thematic investing is essential for identifying underappreciated companies with the potential to improve long-term investment outcomes.

CLIMATE

These approaches seek to invest in issuers that we believe contribute to a lower-carbon future or can help the world adapt to a changing climate.

Based on our research, we believe the world is underprepared for climate and overlooks climate risks and opportunities. As climate awareness and action grow in response to regulatory, customer, and other stakeholder pressures, our climate investment teams expect increasing demand for and capital allocation to innovations aimed at climate-risk mitigation and resiliency. Climate investing enables markets to supply capital toward such solutions, while gaining access to segments of the market that we believe are inefficient and may include attractive investment opportunities. Companies that help adapt to and/or mitigate the impacts of climate change through innovative technology, products, and services could gain market share and build competitive advantages. Conversely, issuers that fail to align with the low-carbon transition and build resiliency to physical climate risks may lag peers and face headwinds from rising costs of capital and/or regulatory pressures.

Our climate-related investment opportunity set includes solutions such as low-carbon electricity and transport, utility and grid resilience, sustainable infrastructure and agriculture, water and resource management, cooling systems, flood control, backup power, and many others. Recognizing the range of solutions needed to address the climate crisis holistically, our Climate Research Team, scientific climate research partners, and climate-focused investment teams collaborate to identify underappreciated companies that may stand to benefit from providing climate solutions. This research supports integration across public and private market teams with a range of inclusion criteria. For dedicated climate strategies, we apply a materiality threshold stipulating that a minimum proportion of revenue must come from climate mitigation or adaptation products or services.

In our view, a comprehensive understanding of the opportunity set across the cross-industry climate value chain can support investment idea generation, whether a strategy has an explicit climate-related objective or not. Many intersections exist between pure-play companies that offer climate solutions and industries that such companies can influence or disrupt. Electric vehicles, for example, may influence demand forecasts for electricity, with implications for power-grid operators.

IMPACT

These approaches seek to invest in issuers whose core products, services, or projects provide environmental and/or social solutions, with the goal of driving measurable positive impact alongside financial returns.

We believe addressing the world's largest social and environmental challenges requires significant investment. This capital enables impact companies to apply innovation and scale to growing end markets, where the magnitude and duration of growth and returns is often underestimated. We believe our disciplined focus on returns enables us to identify underappreciated value within our impact universe.

We invest globally across three broad impact categories — Life essentials, Human empowerment, and Environment — which are comprised of 11 impact themes.

Our impact investments must:

- Materially align with at least one of our impact themes
- Offer additionality or address a need that has a low prospect of being addressed by other agents
- Deliver impact that can be quantified and measured through an individual KPI

In the first quarter of 2025, Wellington's impact investment funds partnered with BlueMark, a leading provider of independent verification services, to evaluate our impact investing practices and their alignment with industry standards.⁴ Wellington achieved impressive results, earning an "advanced" or "high" rating in eight out of nine assessment areas. We believe this recognition reflects the robust integration of real-world social and environmental impact into our public-market impact investment strategies. This integration is a key component of our impact investment process, alongside the targeting of attractive financial returns social and environmental impact into our public-market impact investment strategies. Said integration is a key component of our impact investment process, alongside the targeting of attractive financial returns.

⁴ See [Risks and important disclosures](#) for details on our BlueMark verification.



IMPACT MANAGEMENT AND OVERSIGHT

To ensure a high level of integrity and consistency across our impact investing strategies, Wellington has both an IMM Practice and an Impact Steering Group (ISG). The role of the IMM Practice is to ensure we can measure impact as thoroughly as financial outcomes through in-depth research. This involves rigorous analysis of an investee's contribution (both positive and negative) to social and environmental challenges before it is included in our investable universe and the gathering and monitoring of [impact-related KPIs annually](#). The IMM Practice works with our ESG Research and Climate Research teams to leverage insights most relevant to our impact categories and help portfolio managers incorporate impact investing frameworks. This team also considers how our impact themes may advance the SDGs.

The ISG members include Wellington's impact investment professionals, product managers, and the IMM Practice. Our ESG research analysts, SI teams, and macro strategists may also participate in ISG meetings. The purpose of the ISG is to bring together decision makers on Wellington's impact strategies and key internal stakeholders to promote knowledge sharing, accountability, and collaboration. It is a crucial forum that facilitates decision making and discussions of all issues related to our impact investment process.

The group's focus is:

- **Theme management** — Evaluate the scope of our impact themes and related investable opportunities.
- **Universe management** — Determine securities' eligibility for the impact opportunity set by defining scope, rules, and policies for inclusion, and, therefore, consideration for our impact portfolios.
- **Impact measurement** — In collaboration with the IMM Practice, set standards for the calculation of KPIs at the security, issuer, and portfolio level.
- **Engagement** — Set priorities for engagement with companies and issuers held in the portfolios.
- **Research** — Stay up to date with the latest impact and sustainability research, share relevant insights with Wellington colleagues, and discuss potential future impact research topics.



SPOTLIGHT ON ESG RESEARCH AND MATERIALITY: ARTIFICIAL INTELLIGENCE

Cross-sector research

Amid accelerating AI adoption, our technology sector team has broadened its research to address cross-sector implications, including energy demand, compute and equipment-supply capacity, capital markets and spending, competitiveness, and economy-wide productivity outcomes. Integral to this work is the technology sector team's embedded ESG analyst, who provides expertise on material ESG themes and their implications for stocks across sectors.

Climate and energy

Computing demand growth raises questions about data center energy supply, tech companies' ability to adhere to established climate-related targets and community engagement efforts, and the effect of energy strategies on demand for various power sources over time. The technology sector team has engaged extensively with leading AI companies to understand their energy strategies and emphasize the importance of adhering to climate, clean-energy, and community-engagement targets. They have also modeled energy demand, energy efficiency, clean-energy announcements, and input bottlenecks to assess future energy demand and source constraints.

This combination of engagement and analysis has shifted internal assumptions about energy-supply constraints and companies' approach to sustainable growth. The technology sector team's non-consensus insights reveal that many technology companies continue to innovate around energy constraints, data center siting, and diversified energy sourcing. These insights have had implications for utility, energy equipment, and industrial stocks held by other investment teams.

AI regulations, governance, and safety

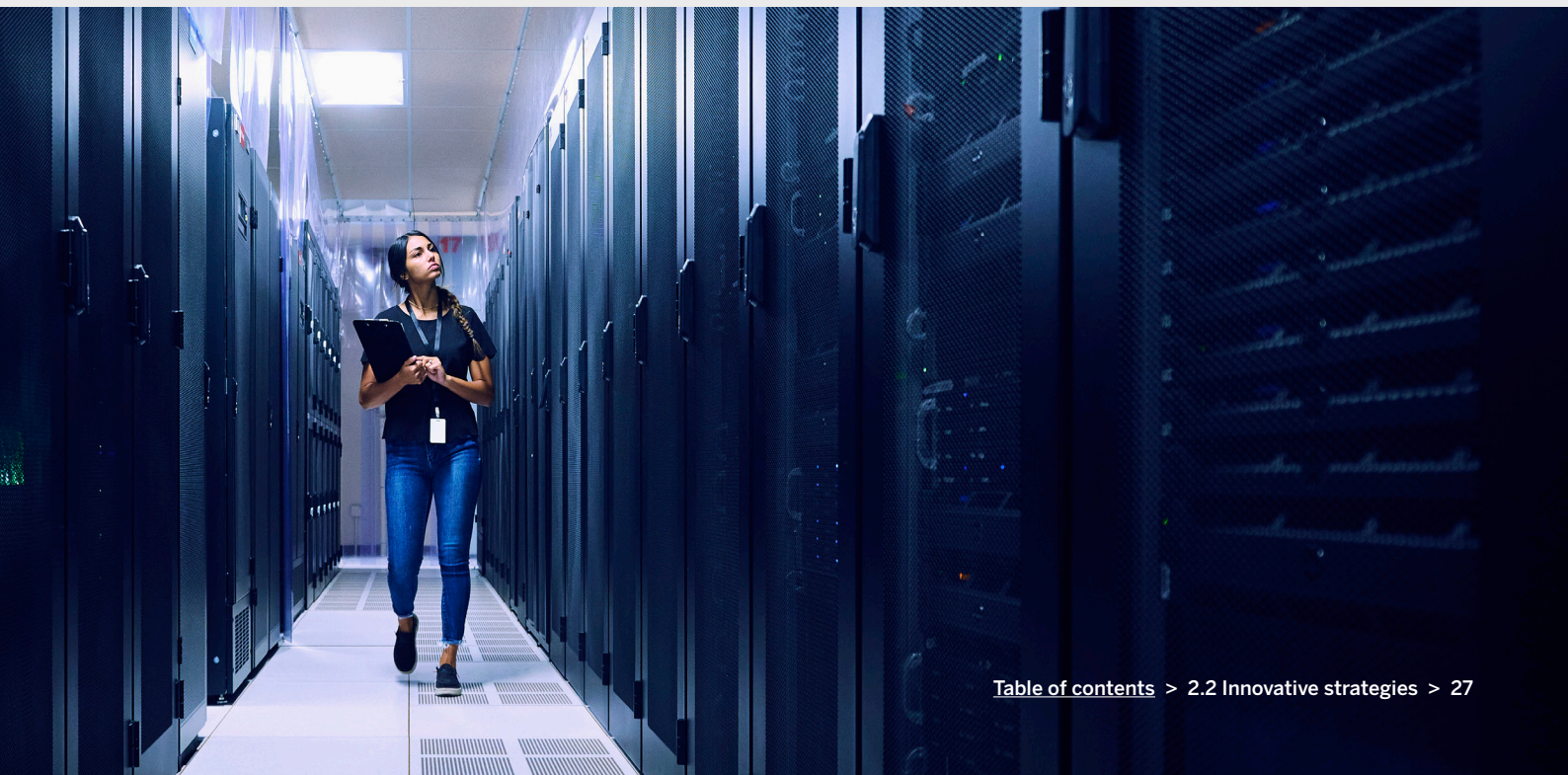
The advent of AI has also raised questions about new or widening risks to cybersecurity, data governance, information accuracy and integrity, data privacy, public health, and bias concerns, among others. These risks affect not only the public but also enterprise adoption and the long-term viability of AI developers. Our team monitors these risks through company engagements on AI governance and risk mitigation practices, alongside analysis of evolving industry standards and regulation. This space has changed rapidly over the past year, and we expect continued evolution as governance practices mature across sectors.

Human capital and labor

The technology sector has led AI adoption, prompting questions about how to integrate AI while sustaining productivity, engagement, and inclusivity. Our team assesses companies' human capital practices, organizational design, talent culture, and skills development. We observe that strong human capital management is often associated with successful AI adoption, a dynamic that is beginning to extend beyond the technology sector.

Governance of AI spend and disruption

The technology sector is increasingly capital intensive, attracting more focus on oversight of capex, supplier partnerships, and supply chain resilience. Some companies are also beginning to experience AI-related disruption, valuation shifts, and early signs toward consolidation. Our engagements have emphasized boards' ability to prove independent oversight of capital prioritization, strategy, and competitive response. These considerations were particularly relevant for corporate resilience in 2025, and we expect them to remain central to governance engagements as AI continues to reshape the sector.



2.3 Sustainability education

To share subject-matter expertise with SI stakeholders around the firm

In 2025, we continued to offer a multifaceted approach to SI education across our three platforms (investment, client, and infrastructure). Our SI education program covers a range of investment themes, regulatory developments, and risk-mitigation practices, drawing on both internal expertise and external research. This education is delivered through multiple channels, including voluntary online training, group forums, team meetings, one-to-one sessions with members of the research team, and internal communications.

We anticipate continued evolution of the SI landscape and our firm's approach to it. SI education will continue to focus on ensuring that our investment, client, and infrastructure teams are knowledgeable and prepared to support our clients in understanding sustainability-related risks and opportunities and associated regulations to meet their sustainability goals. We appreciate the opportunity to collaborate with clients on topics of interest to them and where we believe we have unique insights. Specifically, we welcome the opportunity to share knowledge, including SI investment content and demonstrations covering the SI tools and reporting available. As an example, in the past, we have included sustainability modules within our Client Investor Development program (CIDP) as well as our Wellington Institute program.



Section 3: Culture of stewardship

At Wellington, stewardship prioritizes risks and opportunities that may affect the long-term value of an investment, which may include the consideration of material ESG issues. Stewardship is rooted in deep research and constructive dialogue with company management and boards, assessing company behavior through informed active ownership, and emphasizing management accountability for key issues via our proxy votes.

The goal of our stewardship activities is to support decisions that we believe will deliver competitive investment returns for our clients. Our commitment to active ownership combines deep research and our long-standing relationships with companies and issuers, allowing for partnership with the common goal of driving value. It also anchors our investment philosophy and stewardship approach across asset classes, including private markets.

The mechanisms we use to implement our stewardship activities vary by asset class. Engagement via constructive dialogue with issuers applies to investments across equity, credit, and sovereign debt, in both private and public markets. Proxy voting applies mostly to public equities.

3.1 Empowered investment teams

Wellington operates as a community of boutiques, with each investment team acting as a fiduciary for its clients and developing its own P&P to guide investment decisions. Individual PMs and analysts are empowered to make their own assessments of the materiality of various ESG factors. For many investment teams, ESG research is an input to help them assess the value of investments.

We believe that this bottom-up, collaborative approach sharpens our focus on key topics, ensures investment integrity, leads to better long-term results, and is in the overall best interest of our clients. It also enriches our culture of collaboration, as investment teams share their perspectives in a variety of forums, including daily Morning Meetings that are open to all teams globally. We believe a deeper analysis of the full spectrum of financially significant topics can lead to more informed investment decisions. To assist our investment teams, the ESG research analysts are a critical part of our central research function.



3.2 Engagement philosophy and approach

ENGAGEMENT PHILOSOPHY

We consider engagement to be a two-way constructive dialogue with issuers, aimed at gathering information and providing feedback on financially material topics. As a part of our fiduciary duty and as an element of Wellington's investment ecosystem, we may utilize stewardship to address risks and opportunities that can affect the long-term value of an investment.

Our investment teams often choose to start with routine one-on-one engagement with investable companies during the investment due diligence process. This starting point may help prioritize topics for subsequent post-investment engagements and inform the investment decisions made on behalf of our clients. Based on decades of research and engagement, it is our belief that informed, constructive dialogue can support companies in their efforts to develop better governance, capital allocation, or sustainability goals that are likely to significantly affect financial performance.

Thanks to our long history of investing in nearly every sector of the global securities markets, we have access to and relationships with many portfolio company management teams and boards. Our investment teams, GIAs, credit analysts, climate research analysts, and ESG analysts conduct regular in-person or virtual company meetings around the world. We focus on gaining differentiated insights, assessing and addressing the risks and opportunities facing an issuer, encouraging better and more investment-relevant disclosure, and consulting on best practices that may improve the long-term value and resilience of a company. We seek to understand corporate strategy and share our views on material topics such as capital allocation, risk management, and ESG practices inclusive of business ethics and corporate culture.

ENGAGEMENT APPROACH

The work of the Stewardship Team and ESG research analysts, in collaboration with our investment teams, informs our firm's stewardship priorities for the year. We focus our engagement efforts according to what we consider meaningful subjects for key holdings in pursuit of investment excellence for our clients. In 2025, we continued to prioritize management quality and board effectiveness; supply chain resilience; AI and human capital; and regulatory developments.

Prioritization of our engagement activity may come from any part of an investment team's process — ratings and research, portfolio reviews, dialogue with analysts and portfolio managers, or proxy voting. Issuers themselves may also initiate engagements. Engagements on financially material issues on which our investment teams have informed, constructive perspectives are critical to executing our fiduciary duty to clients.

As one component of the firm's research process, our dedicated team of ESG analysts leverage internally developed ESG materiality frameworks to conduct bespoke analysis of issuers during the ESG rating process. ESG analysts may engage with negative-outlier companies to ensure that their proprietary ratings capture issuers' full scope of procedures and disclosures, provide direct feedback to the issuer on a particular issue, or check in on their progress since prior engagements. We may also choose to engage with positive outliers to hear about emerging best practices in a particular industry, which helps us function as thought partners to other companies in the sector when we engage on the same topic.

Another means of prioritization is ongoing collaboration with investment teams, including through the portfolio review process. Portfolio teams may choose to partner with ESG analysts on portfolio reviews, identifying holdings with the greatest ESG risks and opportunities. Following these conversations, portfolio managers may provide feedback on certain companies with which they would like the ESG Research Team to engage. Depending on their P&P, investment teams may also independently engage with companies they hold to better understand the spectrum of risks and opportunities that may impact the security's long-term value. In certain instances, the ESG Research Team may engage with companies prior to an annual general meeting (AGM) if the company wishes to discuss ballot items and share its perspectives.

Wellington may also engage with other stakeholders, including business partners, employee representatives, suppliers, and nongovernmental organizations to inform our stewardship research. As an example, our engagement dialogue on climate risks typically leverages our research collaborations with Woodwell Climate and MIT CS3.

The desire for informed, constructive, and material dialogue with all our portfolio companies drives our company outreach. Each year, investment teams across the firm convene to host thousands of company meetings, a subset of which meet the firm's criteria for engagement. Current and potential owners of a security collaborate with our GIAs, credit analysts, and ESG research analysts to drive the agenda for these engagements, raising the most material topics for discussion. This combined knowledge base of sector expertise, ESG best practices, and understanding of secular themes helps focus engagements on companies' long-term resilience and adaptability. Critically, engagements also help us understand a company's point of view, encourage respectful debate, and foster accountability. If we believe that a company is not addressing or managing certain critical risks and opportunities over a relevant time frame, we may escalate our engagement per the policy detailed below.

Wellington cultivates relationships with asset owners, other asset management firms, academia, and industry organizations to share and gain insights into corporate governance trends and local market considerations. We may also issue questionnaires to assess standards of practice, send letters to management and/or board members, and use email to engage on key topics. The Stewardship Team manages the firm's voting and engagement policies, reviews them annually (subject to the approval of the ISC), and is responsible for proxy vote execution.

ESG research analysts on each sector team make case-by-case voting recommendations to the security owners when certain criteria are met (e.g., holding size, material shareholder proposal, or M&A). (See **Section 4.1, Our approach to proxy voting**, for details.) The Stewardship Team also periodically assesses the engagement process for consistency and effectiveness, ensuring any policy changes are aligned with our voting and escalation processes.

BOARD ENGAGEMENT

We see communicating with boards of directors as an effective way to enhance discussions about long-term, potentially risk-additive issues. Conversations complement our ongoing discussions with management teams and provide a window into a board's effectiveness and competence, two factors that are challenging to assess using company disclosures alone. Engagements with boards occur both during proxy voting season (these are often tailored to items on the ballot) and outside of proxy voting season. In our view, some of the most productive engagements with boards occur outside of proxy voting season, when we can solicit directors' views on strategic plans, including human capital management and other risk-management concerns.

We seek to understand how a board collaborates with management and delineates responsibilities. We also look for evidence that directors foster healthy debate in the boardroom, develop constructive relationships with management, and challenge management teams when appropriate. We expect board engagements to remain central to our investment stewardship and ESG research processes.



ESCALATION PROCESS

Engagement, in many cases, does not generate immediate outcomes. If we assess companies to be insufficiently responsive to concerns regarding a material financial issue, escalation of our efforts may be in order. We always consider whether such steps are appropriate and in the best financial interest of our clients. Escalation may entail voting action or writing formal letters to the Board of Directors or Management Team, following a review by the ISC. We may also factor in the progress of our engagements in our investment decisions in the usual course of assessing potential risks and benefits.

COLLABORATIVE ENDEAVORS

Owing to our firm's long-term track record across global securities markets, we have ongoing, direct access to and constructive relationships with many management teams and boards. We believe these relationships are highly valuable given the number of meetings we conduct, the breadth of our contacts, and the quality of the discourse. We typically engage privately with investee companies as we have found this encourages openness and a constructive and lasting dialogue. We seek to ensure that companies are acting in the best interest of their capital providers, in the same way we are responsible for acting in the best interest of our clients.

FIXED INCOME AND CREDIT ENGAGEMENTS

Wellington's fixed income credit analysts, in partnership with our syndicate desk and PMs, regularly engage with companies, governments, supranational institutions, and sell-side banks to discuss and provide feedback on deal structure and terms.

“
Engaging regularly with corporate boards and executive teams makes us more effective stewards of our clients' assets.



YOLANDA COURTINES, CFA
Equity Portfolio Manager

Specifically, credit teams focus on ensuring that the credit covenants and structural features within a deal provide adequate protection to bondholders. When lending to an investment-grade-rated company, for instance, we seek to ensure that bondholders have adequate protection against significant risks. Similarly, we may request coupon step-ups for lower-rated investment-grade bonds, again, for partial protection in the event of a downgrade. Finally, we may request restricted payment covenants for issuing entities owned by a highly levered holding company to preserve sustainability of the issuer.

When engaging with sovereign or quasi-sovereign issuers, we may discuss issuance structure, transparency, and investor protections, including the use of collective action clauses, disclosure standards, and debt management practices that support orderly market functioning and long-term debt sustainability. For our impact bond portfolios, we may also engage with issuers to discuss impact reporting and frameworks, progress relating to sustainability targets, and use-of-proceeds for new types of labeled deal structures. These may include sovereign, green, social, and sustainability-linked bonds, for which we encourage robust frameworks, credible targets, and transparent allocation and impact reporting. Wellington investment teams may also participate in ad hoc creditor groups that may form in response to or in anticipation of an in-court or out-of-court debt restructuring transaction or legal proceeding involving a financially distressed corporate or sovereign borrower. When deciding whether to participate in an ad hoc creditor group, we weigh the expected benefits to the clients that hold the relevant debt against the expected obligations, risks, and costs to all clients and our firm.

PRIVATE MARKETS ENGAGEMENTS

We believe private companies that address financially material ESG issues early can gain competitive advantages by improving profitability, attracting talent, and becoming preferred partners to sophisticated customers. In our view, this approach also positions them for a smoother transition, should they pursue either a public listing or institutional capital. When done well, companies treat sustainability as a strategy to build resilience, reduce risk, and enhance long-term value, rather than a reporting exercise. We aim to foster constructive two-way dialogue and support private companies in identifying risks and opportunities that can drive stronger financial outcomes for our limited partners. By leveraging our firm's experience across public and private markets, as well as our range of sector-specific ESG expertise, we can provide informed long-term guidance tailored to each company.

3.3 Tracking issuer engagements and outcomes

Through constructive dialogue and by exercising our voting rights, we seek to achieve outcomes that can enhance the value of our clients' investments. We encourage companies to adopt standards for governance and sustainability practices that we believe strengthen resilience and profitability.

In our view, a successful engagement includes dialogue with a company on issues material to the business, receptivity (including thoughtful responses) to our feedback on those issues, and new insights that may inform or lead to an investment decision. We also view as successful recurring engagements that demonstrate a company's advancing comprehension and progress on mitigation strategies and other best practices. The Stewardship Team, which is responsible for ensuring proper execution of proxy voting and collaborating with investment teams on engagements, helps investors review engagement outcomes and assess the effectiveness of engagement tracking on material topics. Our tracking and reporting capabilities continue to evolve in accordance with

investor, client, and regulatory needs. We are also building on technological investments we have made over the last several years. To facilitate the engagement work of our investment teams, we leverage a proprietary process for tracking our public-market engagement activity. While not mandatory, our engagement tracker is a shared tool that teams investing in public-market corporate and sovereign issuers across our firm can use to record and collaborate on engagement topics. We continue to develop our engagement management tools to enhance research and ESG integration, as well as client reporting.

2025 MEETINGS

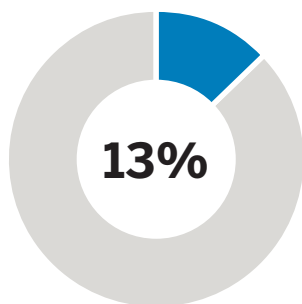
During 2025, we held over 18,600 meetings with more than 5,000 public market issuers, which were attended by our equity, credit, and ESG analysts, as well as PMs.⁵ With the aim of ongoing communication, we often meet with issuers multiple times throughout the year. As a firm, we discussed a wide array of topics with companies in 2025 (**Figure 1**). Our engagements also spanned regions and sectors (**Figures 2 and 3**).

⁵ Represents meetings with public market issuers. "Issuers" refers to companies and sovereigns. All figures as of 31 December 2025. For the Wellington Management group of companies. While all meetings inform our investment processes, ESG topics are not covered at every meeting.



Figure 1
Tracked engagements by category⁶

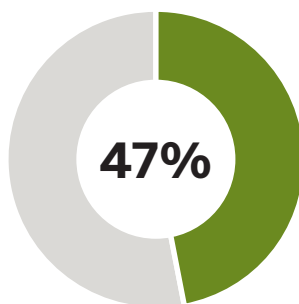
ENVIRONMENT ENAGAGEMENTS



TOP 5 TOPICS

- Climate (physical/adaptation or transition/mitigation)
- Environmental practices
- Climate – transition/mitigation
- Science-based/Net-zero target
- Climate – physical/adaptation

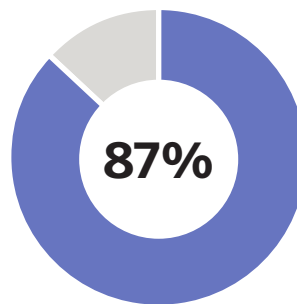
SOCIAL ENGAGEMENTS



TOP 5 TOPICS

- Product sustainability/Innovation
- Supply chain management
- Product quality/safety
- Labor management/talent
- Employee incentives/development

GOVERNANCE ENGAGEMENTS



TOP 5 TOPICS

- Long-term corporate strategy
- Governance/compensation/succession planning
- Corporate culture
- Litigation/regulation
- Board structure/composition/classified board

Figure 2
Geographical breakdown

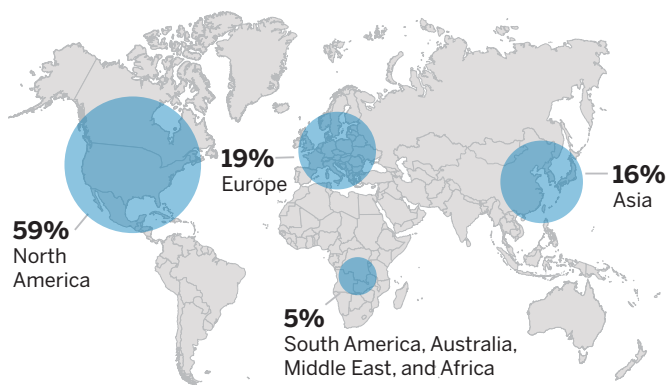
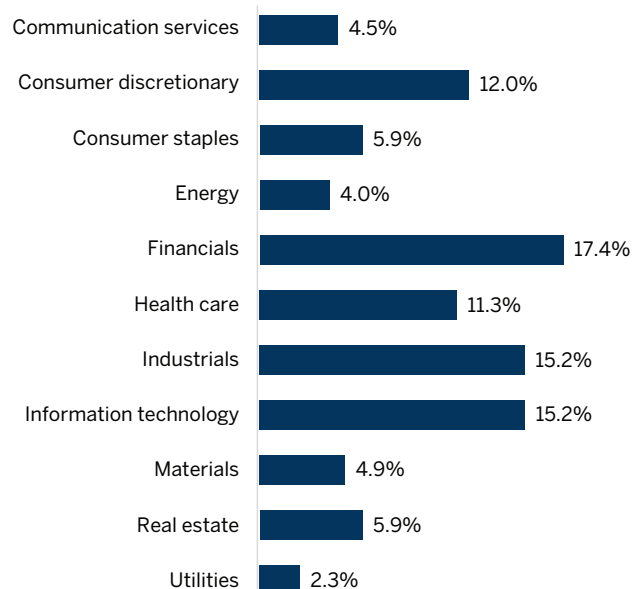


Figure 3
Sector breakdown⁷



⁶ Most meetings cover multiple E, S, and G topics and therefore the tracked engagements by category may sum to more than the total number of tracked meetings.

⁷ Figures may not sum to 100%, due to rounding.

3.4 2025 Engagement examples

Investment teams engage with issuers across asset classes, regions, and sectors in pursuit of outcomes that we believe will enhance the value of our clients' investments long term. Our long tradition of research excellence and sector expertise drives rich two-way dialogue with corporates and sovereign issuers.

We chose the following examples to ensure they represent stewardship, broad investment team involvement along asset classes and regional lines, and a range of engagement outcomes. We believe these examples also demonstrate our engagement and voting policies in action. Engagement outcomes are often influenced more by external factors such as regulation and/or market trends than direct engagement by Wellington. All engagements, regardless of outcome, contribute to our relationship with and/or understanding of a company or sovereign issuer.

EQUITY ENGAGEMENTS

BEAZLEY PLC

Rationale: We engaged directly with Beazley's CEO, CFO, and head of investor relations during 2025 to evaluate underwriting discipline, capital allocation, and the company's positioning in climate-related and renewable-energy insurance markets. Because specialty insurers increasingly assess physical and transition-related climate risks, we sought to understand whether Beazley's strategy reflects differentiated risk selection and return discipline, and how this affects long-term growth and shareholder returns.

Engagement details: Management outlined plans for the formation of a dedicated "transition risk team" to assess underwriting exposures linked to climate transition, including renewable energy infrastructure, solar assets, and carbon-capture technologies. These markets remain underinsured in many cases, presenting a structural growth opportunity for specialty insurers with the analytical capability to price evolving risks appropriately.

Our discussion focused on how Beazley integrates climate science, technology risk assessment, and exposure aggregation into underwriting frameworks. Management emphasized that growth in these lines must meet return thresholds consistent with broader specialty insurance targets. The recent Los Angeles wildfires provided a practical test of catastrophe exposure management; management indicated that portfolio adjustments since 2017 and 2018 have materially reduced concentration risk in affected regions.

Across engagements during the year, messaging has been consistent: The company pursues specialty insurance growth, including transition-related risks, where pricing is adequate and capital remains flexible to respond to market conditions.

Outcome and next steps: We view Beazley's investment in dedicated transition-risk underwriting capabilities as a competitive differentiator in specialty markets that is likely to expand as energy systems evolve. The company's recent share price strength, including following corporate developments, appears supported by sustained underwriting performance and disciplined risk management. We will continue to monitor catastrophe aggregation, renewable-energy underwriting margins, and capital return decisions as evidence that growth in climate-related lines translates into durable returns.

EXXON MOBIL CORPORATION

Rationale: We engaged with Exxon in December 2025 to assess governance developments, capital allocation discipline, and progress across its low-carbon portfolio. While upstream technology differentiation and carbon-capture system (CCS) scale remain central to the investment case, the most notable development from a stewardship perspective was the company's introduction of an optional retail shareholder voting platform. Given Exxon's size, history, and prior proxy dynamics, this represents a meaningful governance development that warrants close attention. Our analysts evaluate these topics holistically, considering how governance design and capital allocation decisions work within the context of the company's broader long-term strategy.

Engagement details: Exxon has launched an opt-in retail voting product in partnership with Broadridge that is intended to expand participation among individual shareholders in certain recurring governance matters. The structure excludes contested votes and votes on M&A, preserves full shareholder rights, and does not replace traditional proxy voting. Management framed the initiative as an effort to broaden engagement and modernize participation infrastructure following recent proxy cycles.

Exxon described early feedback from shareholders as constructive, with participation including shareholders who did not vote in the prior proxy season, suggesting incremental engagement rather than redistribution of existing votes. From our perspective, this is a noteworthy evolution for a company of Exxon's scale. At the same time, we remain focused on how the platform operates in practice, particularly in relation to established shareholder rights and the integrity of the voting framework.

We also discussed capital allocation continuity under the new CFO. Dividend sustainability is a priority, buybacks remain supportive rather than structural, and low-carbon investments are paced against policy clarity and customer demand. CCS investment continues to advance (with approximately nine metric tons per annum contracted), while hydrogen investment has been paused pending stronger demand signals. We assess these decisions not in isolation, but in the context of Exxon's broader objective to expand structural earnings while maintaining balance-sheet strength and strategic flexibility.

Outcome and next steps: We view the retail voting platform as an interesting governance development and will monitor participation levels, transparency, and practical implications for shareholder engagement. We will also continue to evaluate capital discipline across upstream and low-carbon investments to ensure alignment between governance practices, strategic execution, and long-term value creation.

INDUSTRIA DE DISEÑO TEXTIL, SA (INDITEX)

Rationale: We conducted an in-person visit to Inditex's distribution center, multiple Zara stores, and headquarters to assess operational execution, labor practices, and supply chain oversight. While reported financial performance remains strong, our conviction in the long-term value opportunity is supported by Inditex's competitive advantages built around logistics and go-to-market capabilities. On-the-ground diligence allows us to evaluate culture, accountability, and operational resilience and is complementary to our regular meetings with companies.

Engagement details: We observed a highly automated distribution platform with rapid processing times and shipment accuracy. Robotics are deployed primarily in higher-injury tasks, indicating a focus on workplace safety alongside productivity. Automation has reduced the need for temporary labor while preserving full-time employment levels, with compensation levels well above local logistics peers. In our view, this approach supports operational stability and mitigates turnover risk relative to lower-wage competitors.

In-store, RFID-enabled inventory management and embedded tagging across garments allow precise stock visibility and support the rollout of self-checkout. Importantly, labor hours saved in back-of-house functions have been redeployed to fitting rooms, replenishment, and customer-facing roles. This supports higher full-price sell-through and reinforces the company's emphasis on product quality and customer experience rather than relying on promotional activity. Real-time sales data accessible to managers strengthens internal accountability and demand responsiveness.

We also discussed supplier tenure (averaging over eight years), Inditex's proximity-sourcing strategy, and capital investment in expanded distribution capacity. The combination of centralized logistics, long-standing supplier relationships, and disciplined reinvestment continues to differentiate Inditex from peers reliant on longer lead-time sourcing models.

Outcome and next steps: The visit reinforced our assessment that Inditex's investments in its supply chain speed, labor, and logistics capabilities provide operational resilience and competitive advantage. Building on these differentiated insights, we will continue to monitor these risks and opportunities for Inditex, as the retail industry continues to evolve rapidly.

JAPANESE PHARMACEUTICAL COMPANY

Rationale: This case reflects a multiyear engagement that escalated in late 2024 and continued through January 2026 amid commercial underperformance of a flagship therapy and an impending leadership transition. Our investment thesis had depended on a clear commercial inflection, alongside improved capital efficiency. As execution challenges persisted, we focused stewardship efforts on board effectiveness, the succession plan and process, and capital allocation discipline.

Engagement details: In December 2024, a subset of holders sent a formal letter to the board expressing concern that succession planning appeared predetermined and that directors may not be exercising sufficient independence in evaluating leadership candidates. We also highlighted the absence of directors with medical, pharmaceutical, or scientific operations backgrounds. In subsequent meetings, including with the board chair in January 2026, the chair maintained that the board's composition does not hinder oversight and indicated no plans to add sector-specific expertise. Our assessment differed. At a time when competitive dynamics are intensifying and pipeline execution is critical, we believe deeper industry expertise at the board level would strengthen independent challenge of strategy, risk assumptions, and capital deployment.

We did acknowledge constructive elements, including the chair's proactive pursuit of feedback on the likely CEO successor. Our interactions with the company have been positive in terms of communication and culture. We emphasized, however, that execution against strategic priorities, such as sustaining leadership in the therapeutic area, in addition to rebuilding other areas and managing loss-of-exclusivity risk, remains the key test. Management indicated an intention to improve capital allocation flexibility, including R&D prioritization and potential partnerships, supported by a new external CFO. We view this as an execution-dependent improvement opportunity rather than a structural shift at this stage.

Outcome and next steps: While engagement has remained open and constructive, our analysts have not observed sufficient movement on board skill enhancement or succession independence. Combined with ongoing launch execution risk, this has prompted a reassessment of the timing and robustness of the investment thesis. We will continue pressing for strengthened board capability, clearer capital allocation milestones, and demonstrable commercial progress as prerequisites for renewed conviction.

SEMPRA

Rationale: We engaged with Sempra to assess the strategic pivot toward regulated Texas utility exposure, the durability of wildfire risk management in California, and the financial implications of monetizing a minority stake in Sempra Infrastructure. The company's reweighting toward its Oncor utility has materially reshaped its growth profile, equity narrative, and sustainable risks.

Engagement details: Sempra's strategy centers on increasing exposure to regulated Texas transmission and distribution through Oncor, while reducing proportional exposure to California and LNG infrastructure over time. Management announced an equity interest sale of 45% of Sempra Infrastructure to facilitate deconsolidation and fund Oncor equity needs without public equity issuance. Valuation, tax leakage, and timing remain key sensitivities.

Oncor represents the primary growth engine. Texas customer growth (approximately 2%) materially exceeds national averages, and the Electric Reliability Council of Texas's demand for visibility (potentially doubling by 2031) supports long-term rate-base expansion. The recently filed Texas rate case and the Unified Tracker Mechanism materially improve earnings visibility, allowing faster cost recovery and reducing earned return-on-equity (ROE) lag. Together, these mechanisms could add between 100 and 200 basis points to earned returns over time, more closely aligning earned ROEs to authorized levels.

California wildfire risk remains structurally relevant. Although management emphasized mitigation strength and liquidity support via securitization, durability of the wildfire fund and political affordability pressures remain overhangs. The strategic tilt toward Texas reflects a more constructive regulatory backdrop and stronger load growth fundamentals.

Outcome and next steps: We view Sempra's rebalancing toward Texas as a constructive effort to diversify regulatory and wildfire exposure while accelerating rate-base growth. We will monitor progress on the Sempra Infrastructure monetization, final rate-base outcomes, and continued policy engagement in California, particularly around wildfire fund durability and affordability legislation. The balance between Texas growth and California structural wildfire risk remains central to the long-term investment thesis.

US-DOMICILED GROCERY RETAILER

Rationale: This case illustrates sustained engagement focused on governance, leadership, and strategic clarity at a company facing share pressure and widening valuation gaps versus peers. In May 2025, we sent a letter to the board outlining areas we believed were critical to restoring competitiveness and long-term value creation, including appointing an external CEO with large-scale retail experience, refreshing the board, simplifying the portfolio, clarifying pricing architecture, and accelerating digital and delivery capabilities. Our view was that the company's core assets, including its store base, private label portfolio, and loyalty platform, were stronger than reflected in performance but required more decisive leadership and execution.

Engagement details: In the letter, we noted that the company was at an inflection point and encouraged the board to take more decisive steps to close the performance gap with leading mass and club competitors. At the June 2025 general meeting, we voted against members of the nomination and governance committee to signal our expectation for board refreshment and broader retail transformation expertise. Throughout 2025, we maintained active dialogue with the chair and interim CEO. Over the year, the company took steps consistent with a more urgent reset that involves exiting or restructuring noncore assets, simplifying operations, conducting pricing tests to narrow competitive gaps, and rebalancing investment toward store-based fulfillment and digital capabilities.

In February 2026, the company announced the appointment of an external CEO with prior experience leading a large-scale US retail transformation. We view this as a strong outcome that positions the company to move more decisively on price, digital, and delivery execution.

Outcome and next steps: The leadership transition marks an important milestone: Its focus now shifts to execution. We will continue to engage on board refreshment, incentive alignment, and progress on digital and delivery initiatives as key indicators of durable share gains and improved returns over time.

YUM CHINA HOLDINGS, INC.

Rationale: In 2025, we conducted multiple engagements with Yum China’s senior leadership team, including the CEO, CFO, chief people officer, and chief supply chain officer. We complemented these discussions with visits to multiple store formats and a direct conversation with a long-tenured restaurant general manager (RGM). Our objective was to test whether the company’s governance, talent systems, supply chain controls, and use of technology translate into competitive advantage in a highly competitive and fast-evolving consumer market.

Engagement details: In person, we observed a clear and consistent operating philosophy: Adapt to local consumer preferences and standardize operations behind the scenes, build a unified supply chain, centralize data systems, and adhere to disciplined cost controls. In our view, all these features are key differentiators versus peers.

Our assessment of human capital management was very positive. Yum China’s “People First,” promotion-from-within culture stands out as a competitive strength. Initiatives to support clear career paths and the “Mega RGM” model give employees meaningful advancement opportunities while maintaining accountability. This approach supports unusually low turnover and enables the company to scale quickly without compromising operational execution.

That broader impression came through clearly at the store level as well. Our conversation with a long-serving franchise manager showed how Yum China’s model works in practice. The manager used digital dashboards to oversee multiple outlets. Employee recruitment was highly localized to fit each market and operated with clear accountability. Seeing this alignment between headquarters strategy and frontline execution strengthened our conviction that Yum China’s talent-development model is durable and scalable.

Lastly, we evaluated food safety, supply chain resilience, and technology governance. The company’s integrated “farm-to-table” traceability system, linking more than 1,000 suppliers to stores through real-time monitoring, provides strong quality oversight and cost visibility. Although AI tools are embedded across forecasting, staffing, and customer service, management clearly emphasizes human accountability in decision making. We view this balance as an important control as automation expands.

Outcome and next steps: Our multi-level engagement, from C-suite to store floor, reinforced confidence in Yum China’s governance quality, talent stability, and technology-enabled operating discipline. We will continue engagement on succession transparency and board refreshment toward deeper local consumer expertise as the company advances its accelerated expansion plans.

CREDIT AND SOVEREIGN ENGAGEMENTS

DENMARK

Rationale: We met with the Danish government to discuss its issuance of a 10-year benchmark sovereign green bond fully aligned with the EU Green Bond Standard (EUGBS). Denmark is the first sovereign to issue under this new standard. Our objectives were to assess not only the mechanics of the transaction, but also how Denmark’s climate governance, fiscal strength, and transition strategy differentiate it within the sovereign universe.

Engagement details: Denmark stands out on both fiscal and climate credibility. Public debt is still low, at approximately 30% of GDP, fiscal buffers are large, and 2026 will mark four consecutive decades of AAA ratings. Rising defense spending is expected to be financed from accumulated surpluses rather than incremental borrowing, reinforcing macro stability. In our view, this fiscal discipline strengthens the integrity of Denmark’s green issuance.

On climate policy, Denmark is a global frontrunner in sovereign transition strategy. Its 70% emissions reduction target by 2030 (versus 1990) is legally binding and supported across political parties, materially reducing policy reversal risk. The planned livestock CO2 tax is expected to be the first of its kind globally and demonstrates a willingness to address hard-to-abate sectors such as agriculture. Combined with a unified industrial CO2 tax, extensive afforestation and wetland programs, near-universal EV adoption in new car sales, and sustained grid and renewable investment, Denmark’s approach is broad-based and operational rather than aspirational.

The green bond framework itself reflects best-in-class transparency. Denmark benefits from an exceptionally large pool of eligible green expenditures, enabling it to select high-quality projects rather than stretching definitions to fill issuance. Use of proceeds is directly traceable to the national Budget Act, with detailed annexes covering project selection, safeguards, and forward expenditure pipelines. This level of disclosure compares favorably with most sovereign peers and positions Denmark as a reference issuer under the EUGBS.

During the engagement, we congratulated the authorities on their strong governance architecture and noted that their surplus of eligible projects is a structural advantage versus sovereigns facing green project scarcity. We encouraged continued ambition on agricultural emissions and discussed the potential to extend leadership toward biodiversity-related targets. We also highlighted that EUGBS alignment meaningfully differentiates Denmark’s curve and is likely to attract strong international demand, even if oversubscription limits relative value at issuance.

Outcome and next steps: We view Denmark as differentiated by the combination of legally embedded climate ambition, cross-party political support, fiscal resilience, and best-in-class green bond transparency. We will continue monitoring implementation of agricultural reforms, grid investments, and any expansion into biodiversity or adaptation categories, as well as Denmark's role in setting market standards for EUGBS-aligned sovereign issuance.

MEXICO

Rationale: In December 2025, we engaged with Mexican authorities to assess the credibility and investment thesis of the government's updated climate framework under its Nationally Determined Contribution (NDC 3.0), presented at COP30. Our sovereign ESG analyst focused on how climate policy, fiscal strategy, and institutional capacity intersect with macro stability, medium-term growth, and access to capital markets. The updated NDC is a meaningful policy development, and our engagement looked to evaluate implementation risk, financing strategy, and alignment with sovereign issuance.

Engagement details: Mexico's new NDC reaffirms a 2050 net-zero target and, for the first time, introduces an absolute-emissions cap for 2035: 364 – 404 MtCO_{2e} to be mitigated unconditionally or under domestic financing, and 332–363 MtCO_{2e}, with international support. We view the shift from intensity-based targets to an economy-wide ceiling as a substantive improvement in clarity and accountability. The framework covers mitigation, adaptation, and loss and damage as part of a national security perspective. It incorporates climate finance, institutional strengthening, and just transition principles across key sectors including energy, transport, industry, agriculture, waste, and oil and gas — with particular emphasis on methane reduction.

Our discussions focused on delivery. Authorities were clear that public capital alone would be insufficient. While most of the planned electricity investment until 2030 is expected to come from the public sector, a substantial private sector role is anticipated, supported by multilateral development banks, and blended finance structures. Our analyst viewed this acknowledgment as realistic; however, consistent governance, budget alignment, and credible funding flows will be critical, particularly given the continued importance of fossil fuel infrastructure.

On adaptation, framing climate risks such as water scarcity, droughts, flooding, and migration pressures as national security issues signals stronger cross-government coordination. The Ministry of Finance's exploration of catastrophe bonds and parametric insurance reflects prudent risk management, particularly for a disaster-exposed sovereign.

From a sustainable finance perspective, Mexico remains among the more advanced emerging market issuers. Its Sustainable Finance Mobilization Strategy, updated Sovereign Sustainable Financing Framework, and integration of the Mexican Sustainable Taxonomy into Allocation and Impact reporting (through the evaluation of Eligible Sustainable Expenditures against the Technical Screening Criteria of the Mexican Sustainable Taxonomy) strengthen transparency while reflecting harmonization across Mexico's key public policy sustainability instruments. We encouraged clearer linkage between NDC targets, taxonomy criteria, and bond-eligible expenditures to enhance investor confidence.

Outcome and next steps: Our analyst viewed Mexico's updated climate framework and sustainable finance architecture as directionally positive and increasingly institutionalized. Ongoing monitoring will focus on execution: renewable and grid deployment progress, fiscal backing of climate commitments, and continued integration between climate targets and sovereign financing instruments. In this regard, the updated NDC explicitly incorporates enabling conditions related to financing (within the remit of the Ministry of Finance) with instruments currently under assessment and definition.

As part of next steps, Mexico will present a Sectoral Transformational Investment Plan to the Climate Investment Funds for up to US\$250 million, in line with the broader Sustainable Financing Mobilization Strategy and aligned with the Mexican Sustainable Taxonomy.

RENEWABLE ENERGY COMPANY

Rationale: We engaged with this company following its recent spinoff. As a newly independent entity, sustainability disclosures specific to this renewables subsidiary were limited. Our objective was to assess transparency, emissions reporting, and environmental management practices — particularly given the company's significant exposure to hydroelectric assets, where biodiversity and ecosystem impacts are financially and reputationally material.

Engagement details: Our priority was emissions transparency. While the parent group reports consolidated sustainability metrics, subsidiary-level Scopes 1 and 2 emissions had not yet been disclosed. Management indicated that emissions data for recent reporting years would be included in the company's forthcoming sustainability report. We view this commitment as an important step toward establishing accountability post-separation.

The company also provided historical data on emissions avoided from its renewable portfolio (including solar, hydro, and geothermal assets), demonstrating measurable decarbonization impact over multiple years. While avoided emissions are not a substitute for operational transparency, the data supports the environmental contribution of the asset base.

Given the predominance of hydroelectric generation, we focused on aquatic ecosystem management and biodiversity protection. The company outlined its environmental monitoring approach under the applicable environmental impact frameworks, including periodic chemical and biological water testing, third-party wastewater discharge analysis, and compliance with local regulatory requirements.

On biodiversity, management described its ecosystem assessment work conducted with external experts, referencing recognized international and national conservation frameworks. Site-level baseline studies assess terrestrial and aquatic species, with mitigation measures defined during planning. Fish passage structures are incorporated where technically feasible and approved by relevant authorities. Continuous downstream flow monitoring systems are in place to ensure minimum ecological flow requirements are met. We were satisfied with the level of detail provided and the structured approach to environmental monitoring and mitigation.

Outcome and next steps: The engagement was constructive and significantly improved our understanding of the company's environmental management systems, following its separation from the parent group. As the company establishes its stand-alone reporting profile, our focus will be on the publication and consistency of subsidiary-level emissions disclosures and the clarity of methodologies underpinning avoided emissions data.

We will also continue to assess how biodiversity and aquatic ecosystem mitigation measures are reported over time, particularly whether the process-based descriptions are complemented with more quantitative indicators of ecological outcomes. As disclosure matures, we believe enhanced transparency in these areas will further strengthen confidence in the environmental management of the company's hydroelectric portfolio.

TOKYO

Rationale: We engaged with the Tokyo Metropolitan Government (TMG) regarding its issuance of the world's first Climate Bonds Initiative (CBI)-certified Resilience Bond (€300 million, five-year, EUR-denominated). Our objective was to assess the credit profile, governance standards, and credibility of the adaptation-focused framework, as well as the bond's role in addressing the structural underrepresentation of resilience financing in labeled bond markets.

Engagement details: Tokyo's credit profile is strong for a sub-sovereign issuer. Approximately 91% of general account revenues are derived from independent sources, primarily local taxation, and reserves total approximately ¥4 trillion as of March 2025. Outstanding debt has declined significantly since 2001, and institutional safeguards, including a national framework that prevents local defaults, support credit stability.

We view this fiscal autonomy and governance discipline as providing a credible foundation for long-term resilience investment.

From a sustainability perspective, we view the bond positively. Proceeds are 100% allocated to storm and flood prevention under the Tokyo Resilience Project, including underground flood reservoirs, river control upgrades, seawall elevation, and undergrounding of power lines. The framework is fully aligned with the Climate Bonds Resilience Taxonomy and has received CBI certification and a Moody's Second Party Opinion. Allocation is expected within the fiscal year, with public reporting (in English) and external review planned for 2026.

Tokyo is differentiated by both its 15 consecutive years of international issuance and its decision to pivot from general sustainability bonds toward a dedicated resilience format. In our view, this positions TMG as a market leader in adaptation finance and provides a template that other sovereign and sub-sovereign issuers may follow.

During the engagement, we encouraged further development of quantitative, outcome-based KPIs (e.g., avoided damage costs, population protected) to complement current activity-based indicators. We also suggested potential partnerships with academic or technical bodies to enhance methodological rigor. In addition, we noted that the relatively small issuance size may limit participation from benchmark-focused investors and discussed the benefits of larger or programmatic issuance over time.

Outcome and next steps: We view Tokyo's resilience bond as a high-quality, precedent-setting transaction that meaningfully advances standards in adaptation finance. As the program evolves, our focus will be on how the issuer strengthens the quantification of adaptation outcomes, particularly through more outcome-based KPIs. We will also assess the depth and clarity of allocation and impact reporting once proceeds are fully deployed, including any external technical validation that enhances methodological credibility. Finally, we will watch how Tokyo approaches future issuance (whether through larger benchmarks or a more programmatic format) to determine how scalable the resilience bond strategy becomes within the broader capital markets framework.

Section 4: Exercising rights and responsibilities

4.1 Our approach to proxy voting

Wellington views the informed discharge of voting rights as an essential part of an integrated stewardship approach. Most clients delegate proxy voting authority to Wellington given our research expertise, access to management, and the integration of engagement into our investment process.

We believe we are well positioned to perform this function on behalf of our clients and that there are key benefits to doing so. By integrating stewardship activities into investment decision making, for example, we can pursue a more comprehensive and collaborative approach. Our investment teams, GIAs, and ESG research analysts can leverage their industry relationships and deep expertise through constructive dialogue with companies, applying their knowledge to deliberations on voting matters. When engagement on an important concern is not generating the desired result, it may be possible to escalate these concerns, including by voting for shareholder proposals or against directors. Our global reach and long-standing relationships with management teams and boards position investment teams to conduct constructive, ongoing dialogue and help support issuers in adopting best practices on material issues.

We recognize that clients may hold different views on stewardship. For example, some may want us to promote the net zero transition more actively, while others may prefer that we avoid the topic. Our guiding principle is to approach each vote through the lens of financial materiality and its anticipated impact on long-term client returns. We are transparent about our voting guidelines and general expectations for companies through our website disclosures, and we encourage clients to share stewardship priorities and feedback when they perceive misalignment. While clients generally entrust us to vote on their behalf, a small number may retain voting discretion for certain mandates or approaches.

“

We believe that our approach to stewardship, which is investment-led and integrates differentiated research, adds value for our clients.



BRAM HOUTENBOS

Governance Policy and
Proxy Voting Manager



PROXY VOTING GUIDELINES

We are long-term stewards of clients' assets. Our voting guidelines are grounded in our fiduciary obligation to act in the best interests of our clients as shareholders. We consider differences in local practices, cultures, and laws when making voting decisions. These are guidelines, not rigid rules, and we reserve the right to vote contrary to the guidelines stated when we believe doing so is in the best financial interests of our clients. Our guidelines set out our general approach to matters we consider financially material to company performance, including, but not limited to:

- Board governance: independence, board composition, succession planning, refreshment
- Executive pay: alignment, transparency, structure, clawbacks
- Shareholder rights: poison pills, proxy access
- Capital actions: M&A approvals, dilution limits
- Other material risks: emissions, culture, lobbying, cybersecurity, AI

We regularly review and update our proxy voting policies to ensure we are acting in the best interests of our clients. This information is publicly disclosed [on our website](#).

As part of our annual voting policy review, our Stewardship Team conducted a proxy voting guideline review to ensure evolving market practices were met and the evolving views of investment teams and our ESG research analysts were incorporated.

Because we believe transparency on voting increases accountability, we publish our [Global Proxy Voting Disclosure](#) on a monthly basis on our website. The Stewardship Team also reviews and signs off on vote reporting, including relevant management information that helps facilitate appropriate oversight from the ISC.

VOTING PROCESS

In line with our Global Proxy Voting Guidelines, votes are evaluated against our general expectations for good governance and the unique circumstances of the issue and the company.

In general, subjects that can be addressed by the guidelines are voted by means of standing instructions communicated to our primary voting agent. Some votes warrant analysis of specific facts and circumstances and are therefore reviewed individually. While ESG analysts often resolve manual votes, each PM is empowered to make a final decision for their relevant client portfolio(s), absent a notable conflict of interest. We proactively seek PM input under certain circumstances, including position size and the subject and nature of the proposal. Where PM input is proactively sought, deliberation across holders may occur. Rather than prioritize consensus, this collaboration seeks to inform investment decisions by providing multiple perspectives. Consistent with our community-of-boutiques model, PMs may occasionally arrive at different voting conclusions for their clients, resulting in different decisions for the same vote. Robust voting procedures and the deliberation that occurs before a vote decision are aligned with our role as active owners and fiduciaries for our clients.

We assess the effectiveness of operational controls in the voting process each year, after the voting season is complete. This review may lead to process enhancements, where opportunities to strengthen the control environment are identified.



USE OF PROXY ADVISORS

Wellington uses a third-party voting agent to manage the administrative aspects of proxy voting, and the ISC establishes voting guidelines that inform our custom voting policy. Based on this custom policy, our voting agent processes proxies for client accounts, casts votes based on our guidelines, and maintains records of proxies voted. Mapping company practices to our custom policy helps identify cases that warrant more in-depth analysis, additional clarification, and direct feedback to an investee company, rather than relying on the vote alone.

Wellington complements analysis performed by our ESG research analysts and internal investment teams with research from our primary voting agent and a secondary voting agent. We believe external research enables us to deploy stewardship resources where they can add the most value, and the secondary agent provides a useful “second opinion” for cross-referencing.

Proxy voting vendor example

The Stewardship Team participates in regular formal meetings with our primary voting agent to provide feedback on service, system, and process improvements. We score our service providers on an ongoing basis against an established set of KPIs, which range from service level to timeliness of research delivery. In December 2025, we performed an annual due diligence exercise that allowed us to thoroughly vet various parts of the business. The discussion highlighted our vendor’s operating model, which continues to progress toward a more integrated offering, leveraging technology to improve timeliness and accuracy. We encouraged our vendor to further unlock data that could help drive better voting outcomes.

While enhancements to the voting platform user interface improved some functionality, a few remaining errors and outages required workarounds. Our vendor acknowledged these issues and underscored its strengthened testing protocols, improved incident response, and more formal business continuity and resilience planning as means of minimizing recurrence. We encouraged our primary voting agent to continue improving upon methodology transparency, complaints processes, and outcomes. Regulatory discussions centered on guidance from the SEC, anticipated changes to proxy advisor rules, and preparations for expanded anti-fraud liability, including tighter processes for correcting factual errors. We will continue to evaluate potential vendors and technologies to ensure that our voting processes benefit from the best and most cost-effective tools and inputs.

We review ballot-reconciliation reports to confirm that accounts with proxy voting discretion are correctly set up. We also review vendor-generated proxy voting reports to confirm that votes are executed as intended and that records are maintained. Our Stewardship Team oversees these controls and vendor relationships.

ADDITIONAL CONSIDERATIONS

VOTING LIMITATIONS

We generally vote in meetings at which we are entitled to do so. We may refrain from voting when the cost of voting is expected to outweigh the perceived value of the vote. Occasionally, we are prevented from voting if ballots are received late or if we lack essential information pertaining to the voting options.

SECURITIES LENDING

Because clients may operate their own securities lending programs, Wellington may not have insight into which securities have been loaned at a given time. Efforts to recall loaned securities are not always effective, but in certain circumstances, we may determine that a vote is of particular importance. This may lead us to recommend that a client attempt to have its custodian recall the security to permit voting of related proxies.

SHARE BLOCKING AND REREGISTRATION

Certain countries impose trading restrictions or requirements regarding reregistration of securities held in omnibus accounts before shareholders may vote a proxy. The potential impact of such requirements is evaluated when determining whether to vote such proxies. PMs may specifically request that their shares be reregistered and/or blocked so they can exercise voting rights on their clients’ behalf.

VOTING OUTSIDE OF PUBLIC EQUITIES

For our private investments, the typical practice is for portfolio companies to request written shareholder consent on matters such as board composition, financing, new share issuances, and the like. Our Legal, Compliance & Risk Team, in conjunction with the private portfolio management team, reviews written consent proposals. We continue to enhance our stewardship efforts by combining our company engagement and written consent actions within one technology platform. Bondholder meetings are primarily the responsibility of our Corporate Actions Team. This team works with investment teams at the firm to vote on the options contained in the proposal. The voting items often involve changing the terms of bonds where issuers are restructuring or going through bankruptcy. We work to support investment professionals in their decisions to determine and execute the vote.

4.2 Proxy voting activity

In 2025, we voted at 5,800 general meetings for companies in 73 markets. **Figures 4, 5, and 6** summarize our voting decisions during the 2025 calendar year. Aggregate voting authority may not be equal to firmwide ownership in cases where our clients have elected to retain voting discretion for their shares. We report voting decisions through our website, including rationales for proposals voted against management. Details of individual votes are included in our Global Proxy Voting Disclosure, available on our [website](#).

SHAREHOLDER PROPOSALS

When voting on shareholder proposals, we generally apply a case-by-case assessment. We may support shareholder proposals if we determine that their adoption would promote shareholder value. In making this determination, we consider numerous factors, including but not limited to the anticipated benefits of the proposal to the company; whether the proposal addresses the general interests of the company’s shareholders and not just those of the shareholder proponents; whether the company is currently addressing the issue motivating the proposal or has engaged with the shareholder proponents; whether the company can implement the proposal effectively; and whether the proposal’s adoption would impose excessive costs on the company or result in unintended consequences.

We recognize that voting on shareholder proposals may reduce complex issues to binary choices. We may choose to support advisory proposals that are imperfectly phrased if doing so sends a clearer signal than withholding support in cases where a company appears to manage material risks to its business inadequately. In these instances, our vote is intended to prompt constructive engagement and signal concern and may not necessarily endorse all aspects of the proposal. We aim to follow up with direct engagement to clarify the nuanced position our vote represents and to encourage more effective risk management and governance practices.

In 2025, we voted on more than 1,000 shareholder proposals and supported approximately 200.

Figure 4
Votes in/not in support of management

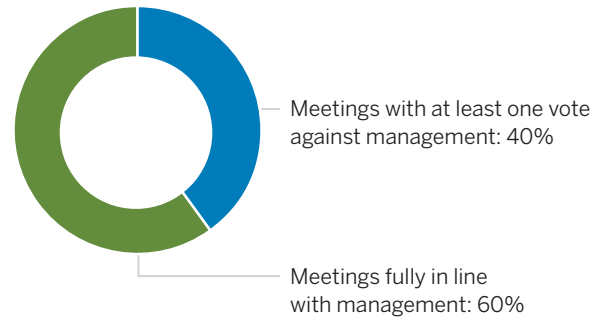


Figure 5
Proposal topics on which we did not support management

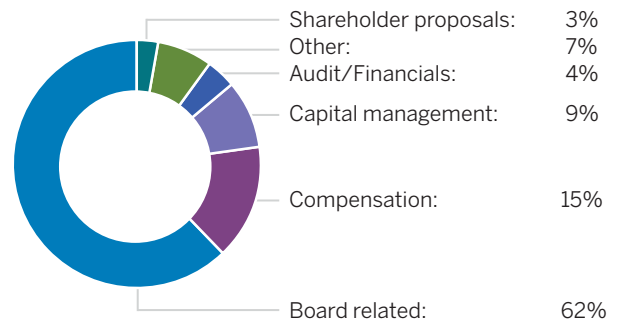
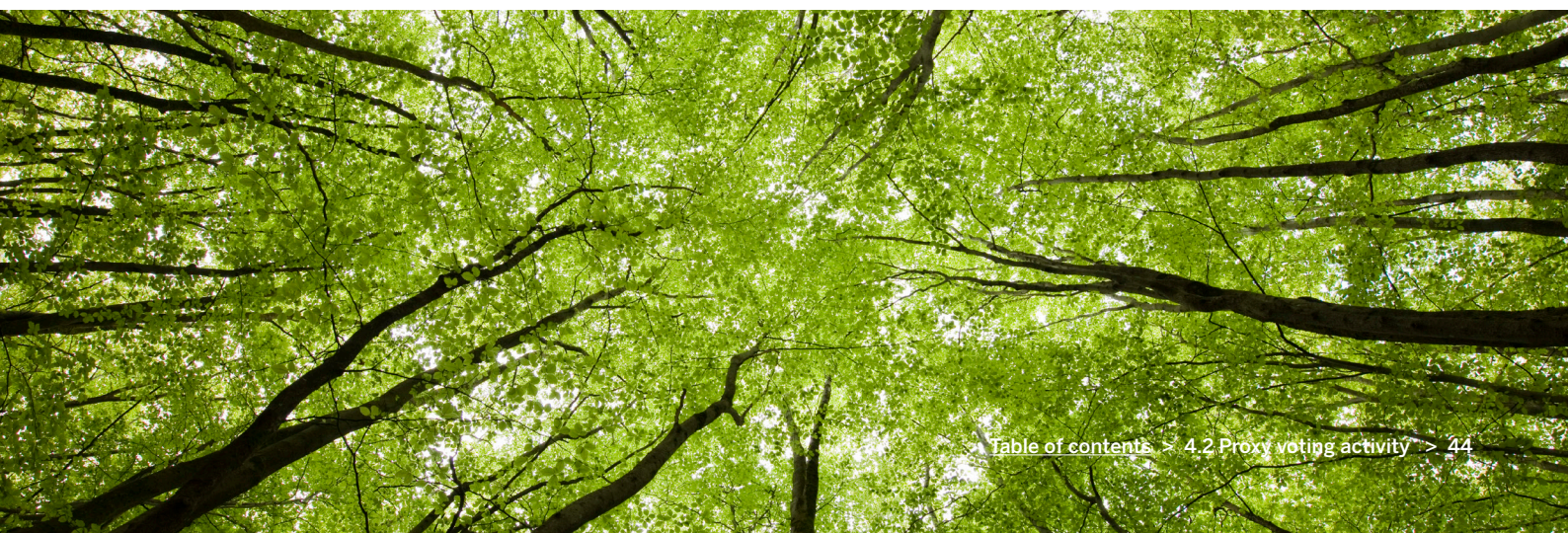
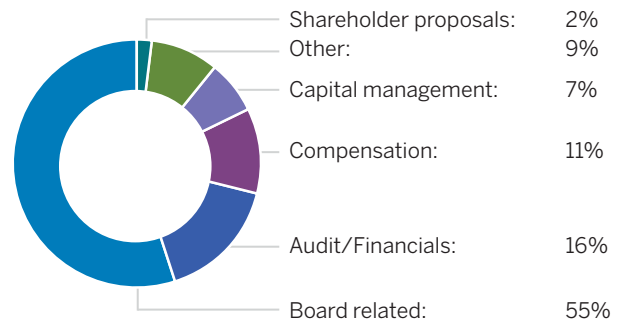


Figure 6
Proposal topics voted on



Section 5: Corporate sustainability

WellSustain is our corporate sustainability approach, guiding responsible operations across our facilities, supply chain, and workforce to support our clients, our firm, and our people.

We focus on:

- Being effective stewards of sustainability within our operations
- Partnering to help build thriving communities where we live and work
- Strengthening enterprise resiliency and risk awareness

For more information on WellSustain, please visit [our website](#).

5.1 Sustainability within our operations

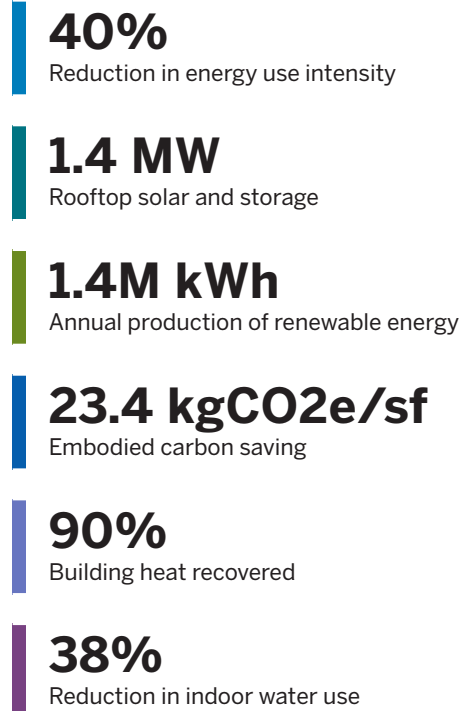
ENERGY EFFICIENCY AND GREEN BUILDING STANDARDS: HIGHLIGHTING THE NEEDHAM OFFICE

Our Needham, MA, office space, leased from Boston Properties since 2021, underwent a retrofit focused on improving overall operational efficiency and occupant comfort. At the time, it was the first net zero, carbon-neutral building office repositioning of this scale in Massachusetts.

The scope of the renovation project included full electrification, building envelope improvements, advanced energy recovery systems, mechanical system modernization, and the addition of on-site renewable energy generation.

The building carries the LEED v4 Gold2 certification and LEED Zero Carbon project target. Wellington occupies approximately 104,000 square feet. Approximately 335 of our employees use the office daily. The building's generated energy fully offsets its consumption from the grid. Half of the solar energy credits generated are allocated to local low-income residents at a 20% discount.⁸

Key building sustainability features*:

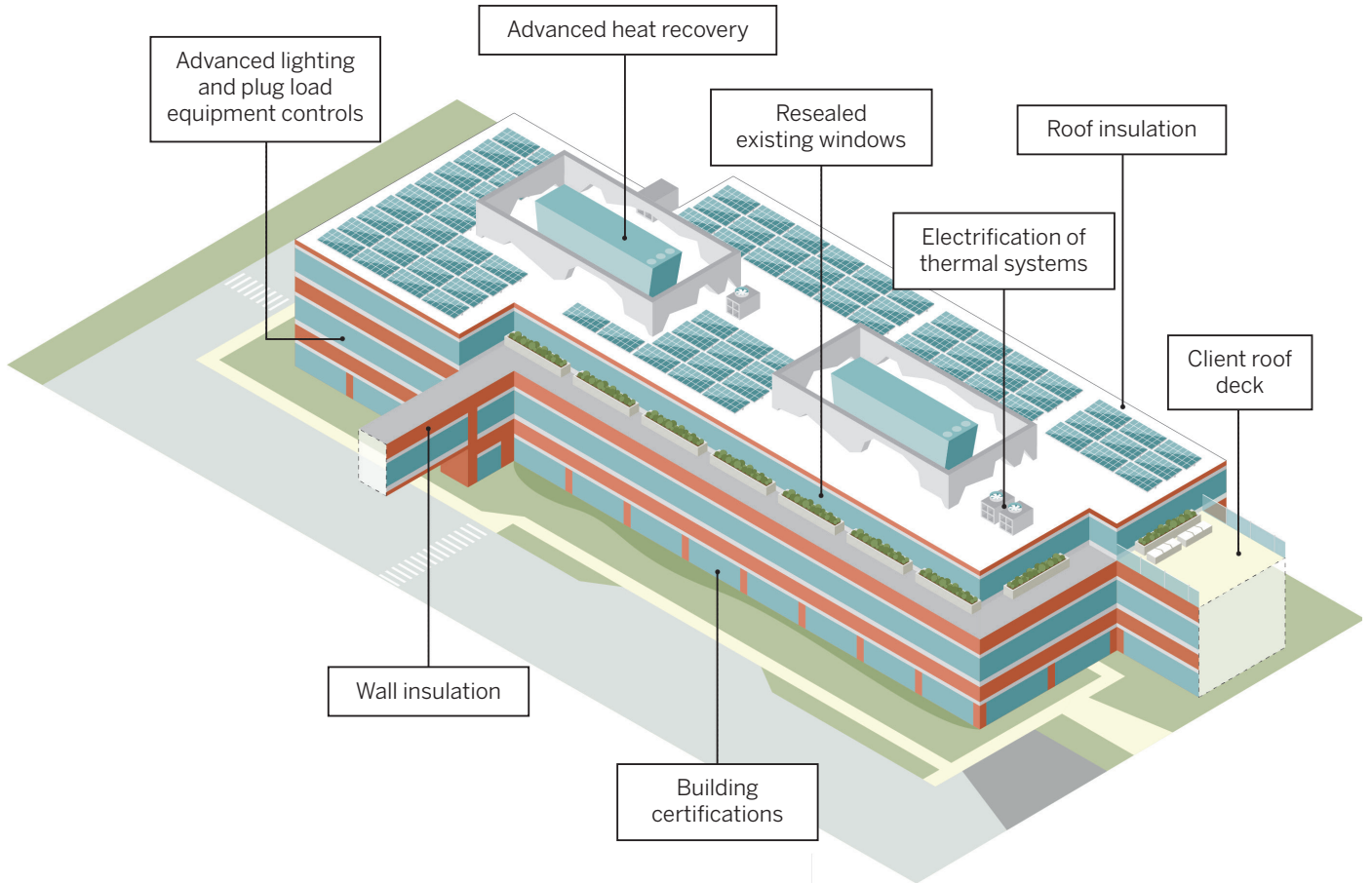


*Estimates as of July 2023.

⁸ Data courtesy of Boston Properties.

Building upgrades

The key driver for the Building A (Needham office) retrofit was the alignment of ESG ambitions of both Boston Properties and Wellington Management. The aim was to create a state-of-the-art, efficient, LEED Zero Carbon building that provides its occupants with a safe, comfortable, and productive environment.



IMPACT OF CARBON CREDIT PURCHASES

In 2025, Wellington retired 9,235 metric tons of verified carbon credits via projects in five countries across North America, Europe, and Asia. Our strategic approach balances technology-based emissions reductions — including methane capture and waste-to-energy solutions — with nature-based projects protecting critical rainforest ecosystems. This investment represents tangible climate action equivalent to removing over 2,000 cars from the road or powering more than 1,100 homes with clean energy for one year. All credits meet rigorous international standards and have been independently verified and permanently retired on our behalf, ensuring the integrity and additionality of our impact.

As part of our net neutrality commitment, Wellington partners with CNaught — a leading carbon credit platform — to source and retire high-quality, science-backed carbon credits. CNaught’s portfolios are curated in alignment with the Oxford Principles and independently rated by the four major carbon credit rating agencies, ensuring that every metric ton we retire meets rigorous standards for additionality, permanence, and verifiability.

Total carbon credits purchased in 2025:

9,235 metric tons

Equivalent to:*

The annual carbon sequestration of **152,644** newly planted trees

Avoiding the annual energy-related (electricity & natural gas) emissions of **1,164** average homes

Avoiding one year of emissions from **2,011** internal-combustion-engine passenger vehicles

Avoiding the emissions from **22,944** flights between Los Angeles and New York

*For illustrative purposes only. This volume of carbon credits can be expressed using commonly referenced emissions equivalencies based on standard conversion factors. Calculations based on U.S. Environmental Protection Agency formulas.



Summary of CNaught purchases

Oxford categories

Technology-related reductions	84.99%
Nature-based reductions	10.01%
Nature-based removals	5%

Activity types

Landfill gas capture	59.99%
Fugitive emissions reduction	25%
Blend	10.01%
Improved forest management	5%

Countries

United States of America	34.99%
Bangladesh	25%
Turkey	25%
Indonesia	10.01%
Mexico	5%

Projects

Trinity landfill gas	34.99%
Titas gas leak repair	25%
Istanbul landfill gas to electricity	25%
Katingan Mentaya conservation	10.01%
X-Hazil	5%

Sustainable development goals



Sources: CNaught, www.un.org. | Wellington Management supports the SDGs.

SUSTAINABLE BUSINESS TRAVEL

Our business travel strategy prioritizes sustainability by equipping employees with clear guidance through our internal Global Travel Services website, helping travelers make informed, responsible choices. Because travel remains essential to many aspects of our work, we rely on employees' professional judgment to assess both the necessity of a trip and the most sustainable mode of transportation. To help reduce our carbon footprint from air travel, we encourage employees to consider the following questions before booking:

If travel is deemed necessary, we work with suppliers that demonstrate strong commitments to advancing sustainable travel across their networks.

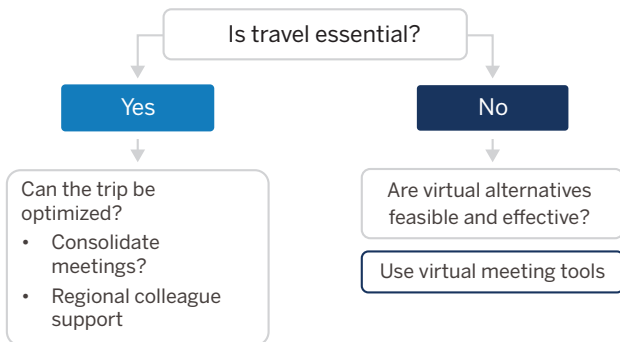
Many of our partner airlines — including British Airways and Delta Air Lines — have launched significant initiatives to reduce carbon emissions. Both carriers have pledged to reach net zero emissions by 2050, supported by investments in fuel-efficient aircraft, electrification of ground operations, and increased adoption of sustainable aviation fuel, which offers substantially lower life-cycle emissions than conventional jet fuel.

In the US, travel between Boston and New York City is our most common business route. To minimize environmental impact, we encourage employees to use Amtrak's Acela high-speed rail, which offers a more sustainable, efficient, and convenient alternative to air travel. Acela trains are powered wholly by electricity, and Amtrak purchases renewable energy certificates to offset 61% of electricity demand in the Northeast Corridor, including Acela service.

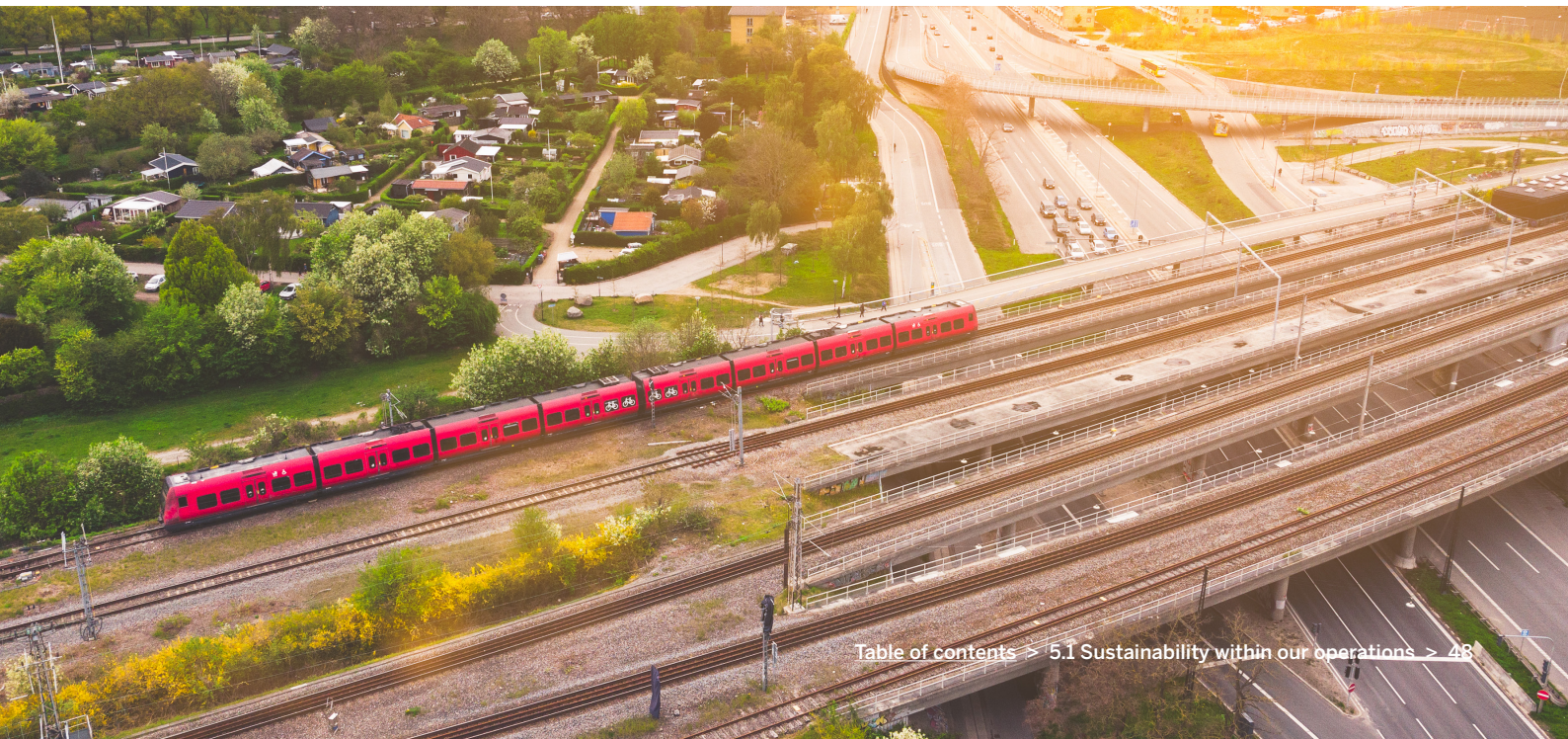
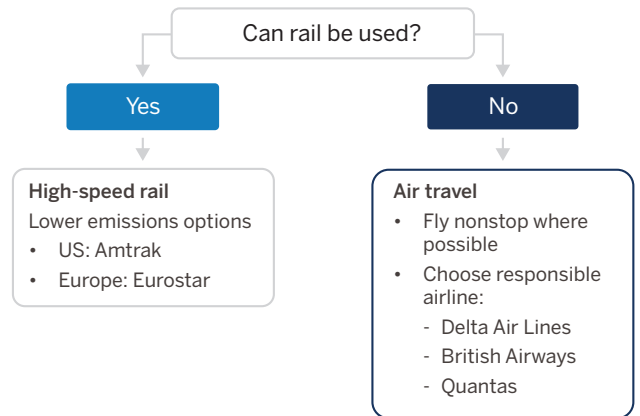
In Europe, employees frequently rely on the Eurostar high-speed rail service for travel between the UK, France, and Belgium. Eurostar has committed to powering its trains with 100% renewable energy by 2030 and to embedding circularity principles across its operational value chain, further reducing life-cycle emissions.

We will continue to refine our business travel approach to responsibly balance operational needs, client expectations, and our long-term sustainability goals, while consistently seeking opportunities to reduce emissions and enhance efficiency across our global travel program.

Is travel essential?



When travel is essential...



SUPPLY CHAIN OVERSIGHT AND RISK MANAGEMENT

We take seriously our obligations to prevent modern slavery and human trafficking and are committed to taking appropriate steps to ensure that the requirements of Australia's and the UK's respective Modern Slavery Acts are met within our business supply chain. Links to our Modern Slavery statements can be found on our [website](#).

Mitigating modern slavery risk in our supply chain

We have a centralized sourcing function for Wellington's vendor contract processes. The contract managers collaborate with our Third-Party Risk Management (TPRM) Team, which initiates due diligence for new suppliers and conducts periodic reviews for certain existing suppliers. To identify and mitigate modern slavery and human trafficking risk, we have taken a risk-based approach to our evaluation. Where applicable, we may incorporate modern slavery-related provisions into our contractual agreements. We may also ask a supplier to provide information about its necessary actions to prevent or remediate modern slavery in its business or its supply chain. We identify and review third-party service providers for potential modern slavery risks during onboarding, based on risk factors such as the party's industry and country of operation. Should we find any supplier using modern slavery in any part of its supply chain and/or its business, we will initiate remediation discussions and potentially terminate the contract.

The nature of our business, along with the high standards we have for ourselves and our suppliers, has helped ensure that the risk of slavery and human trafficking in our supply chain is low. Regardless, Wellington takes a risk-based, case-by-case approach to supplier evaluations. Each evaluation takes into account the supplier's geographic location(s) and the sector(s) in which it operates, with particularly careful consideration when a supplier operates in a region and/or industry that has been determined to be more susceptible to slavery and human trafficking.

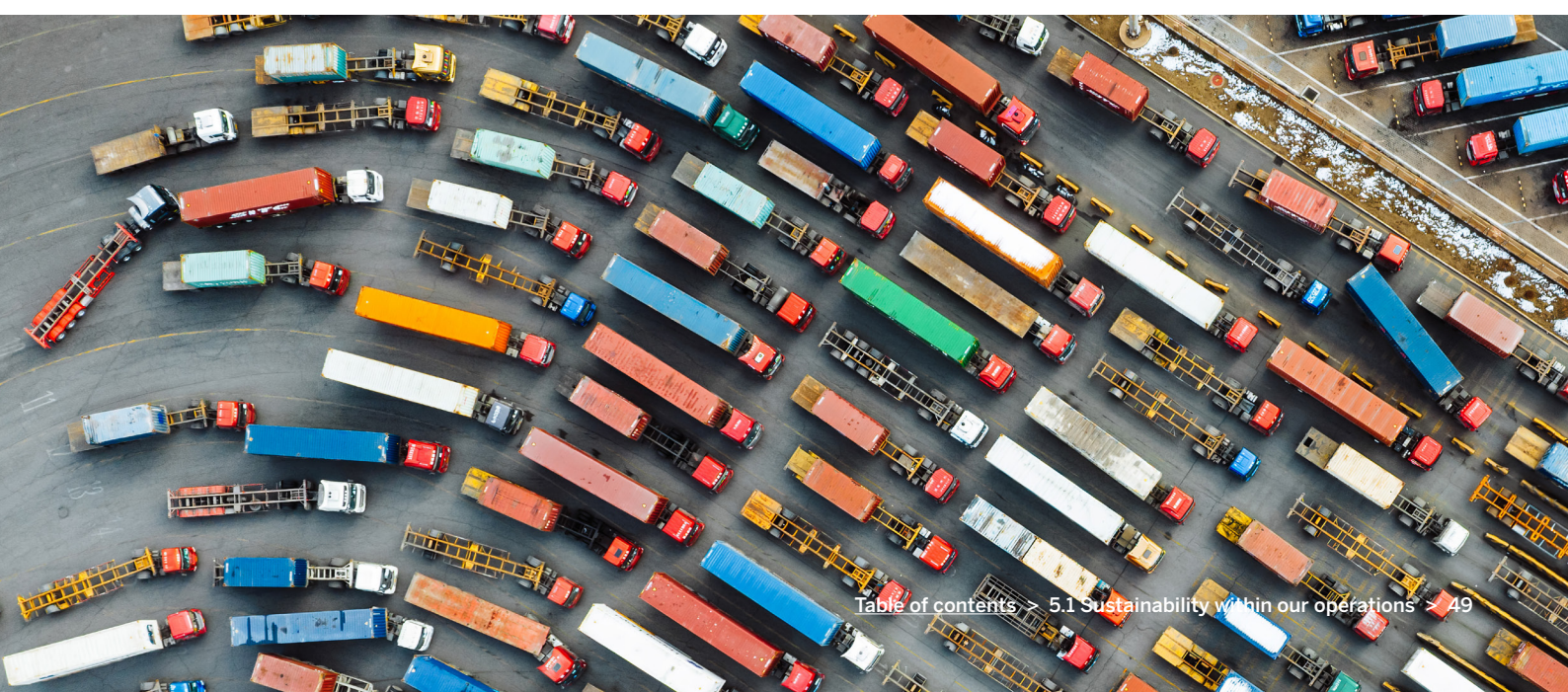
Supplier access & resilience

At Wellington, we are unwavering in our belief in the power of differences and inclusivity. We are building a supply base that promotes fair access, competition, and resilience among providers of goods and services to our firm. We manage and assess a variety of vendor and supplier relationships solely based on merit, performance, risk management, and value, consistent with our fiduciary duty to clients. In support of best execution and operational resilience, we partner with a broad range of brokerage firms and local small businesses and seek to reduce unnecessary barriers to supplier participation across our procurement and trading activities. We continue to raise internal awareness of opportunities to expand our supplier ecosystem while maintaining objective, non-discriminatory vendor selection and oversight processes. We will continue to manage and assess our vendor and supplier relationships in the best interests of our clients.

Mitigating other forms of supply chain risk

Finally, we are committed to minimizing the environmental impact of our operations and fostering a culture of sustainability. We aim to measure, report, and continuously improve our environmental performance globally. We favor suppliers who demonstrate responsible resource use, waste reduction, and environmentally conscious practices appropriate to their size and impact. Suppliers must comply with all applicable environmental laws and are encouraged to adopt internal policies and systems that support environmental risk management and transparency. We value constructive engagement and expect suppliers to monitor and disclose material environmental risks, in alignment with evolving global standards such as IFRS S2.

Please refer to Wellington's [Supplier Code of Conduct](#) for details about our supply chain risk-management approach.



5.2 Talent, culture, and community

We have long been committed to fostering an inclusive culture that incorporates differentiated capabilities into our global practices. We see the three pillars of our inclusion approach — talent, culture, and community — as essential to the strength and longevity of our business and the ability to serve our clients.

We strive to continuously evolve our talent practices in many ways, including via our Global Inclusion and Community Committee, [12 intersectional business networks and allies programs](#), mentorship relationships, and other avenues. These practices help ensure that employees at every level can access the relationships and resources they need to thrive over time, which in turn unlocks the full potential of our global talent to deliver stronger long-term outcomes for our clients.

INCLUSIVE TALENT PRACTICES

Our long-term success depends on hiring and developing people with the mindset, knowledge, skills, and capabilities that enable us to build strong, enduring teams. We aim to ensure that our talent-development programs are inclusive, consistent, merit-driven, transparent, and aligned with investment performance. Our apprenticeship model, development offerings, and stretch assignments aim to enhance employees' knowledge, skills, and impact. We regularly review talent data, engagement insights, and performance metrics to assess our talent practices, cultural strength, and business outcomes.

See a [list of external associations](#) that helps us attract, develop, and engage with high-performing talent from a range of backgrounds.

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Inclusive organizations are more innovative, resilient, and better equipped to meet the expectations of their clients and stakeholders.



SHAWNA FERGUSON

Director, Global Diversity, Equity, and Inclusion



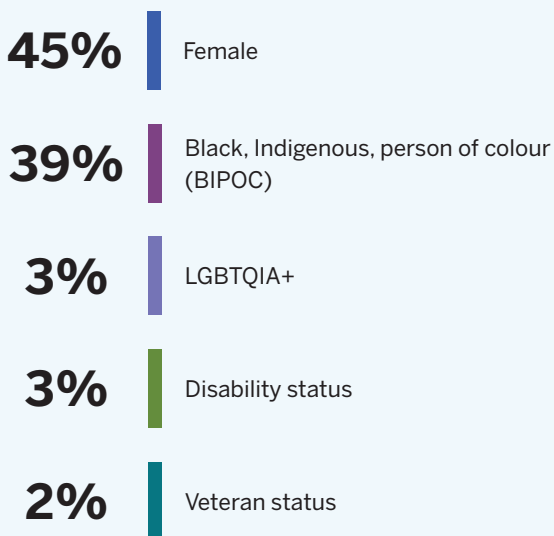
GLOBAL TALENT SNAPSHOT

All data as of December 2025.

Our development approach has attracted a global talent pool, marked by shared values and goals, as much as diverse experiences, identities, and work styles, reflected at all levels. Wellington employees span the Americas (70%), APAC (11%), and EMEA (19%). There are 59 languages spoken across the firm, with 10% of employees speaking three or more languages. More than 20% of our employees globally identify with two or more elements of talent composition, such as gender, race/ethnicity, disability status, veteran status, age demographic, and LGBTQIA+.

- **Leadership team** (CEO Management Team (including heads of offices), Executive Committee, Operating Committee, and Global Compensation & Talent Committee)
 - 59% of our leadership teams share one or more of the following elements of talent composition data: female, race/ethnicity, LGBTQIA+, military veterans, and individuals with a disability.
- **Leadership pipeline** (Senior Managing Directors (Partners) and Managing Directors)
 - 48% of our leadership pipeline share one or more of the following elements of talent composition data: female, race/ethnicity, LGBTQIA+, military veterans and individuals with a disability.

2,818 EMPLOYEES



• People management

- 63% of our managers share one or more of the following elements of talent composition data: female, race/ethnicity, LGBTQIA+, military veterans, and individuals with a disability.

• Investment professionals

- 54% of our investment professionals share one or more of the following elements of talent composition data: female, race/ethnicity, LGBTQIA+, military veterans and individuals with a disability.

We recognize that this work is broad-based and evolving. Through a changing investment, demographic, and cultural landscape, our focus remains clear: We aim to create an environment where every individual feels valued, respected, and empowered to do their best work. Inclusive organizations are more innovative, resilient, and better equipped to meet the expectations of their clients and stakeholders. We are steadfast in ensuring Wellington retains all those qualities to ensure we can nurture future talent, manage evolving risks, and position the firm for long-term success.



5.3 Helping to build and support thriving communities

Looking outward, we recognize that our impact is greatest when we function as part of a broader investment community. Our commitment to global inclusion extends far beyond our walls — it is strengthened through the partnerships we build with external associations, educational institutions, and industry coalitions around the world. These collaborations help us identify emerging talent, deepen our understanding of global markets, and contribute to solutions that provide access to opportunities and more equitable outcomes. We embed these principles into our operations, our stewardship, and our community engagement.



WELLINGTON'S PHILANTHROPY AND COMMUNITY ENGAGEMENT

Wellington aims to make ongoing positive financial, social, and environmental impacts in the communities we work and live in. We invest in our communities through employee charitable giving, the Wellington Foundations, and volunteering.

Employee charitable giving

The GiveWell platform makes it easy for employees to support the causes they care about. It offers simple solutions to set up and manage donations, as well as finding volunteer opportunities. Employees can also take advantage of Wellington's generous matching gift program, which effectively doubles an employee's annual giving (subject to limits).



Annual appeal

Employees can make contributions to community organizations and global relief through payroll deductions



Gift matching program

This policy enables employees to have their donations made to a nonprofit community organization matched by the firm



Volunteer program

Each employee is offered two business days a year to volunteer with a nonprofit community organization

Wellington Management foundations

The Wellington Management Foundation and Wellington Management Foundation UK support programs and organizations seeking to close the opportunity and achievement gaps for youth and young adults in historically underserved communities.

OUR BELIEF

We believe education is a critical lever in creating opportunities for equitable outcomes, including social and economic mobility.

OUR MISSION

We support best-in-class programs and organizations in our communities that are improving education and educational opportunities for youth from traditionally underserved and historically marginalized communities.

OUR PORTFOLIO

We support organizations across the full educational life cycle of a student, from early education to career-readiness programs. We offer support to independent and charter schools, district-wide school-based programs, and after-school and summer classes, as well as college-access and persistence programs.

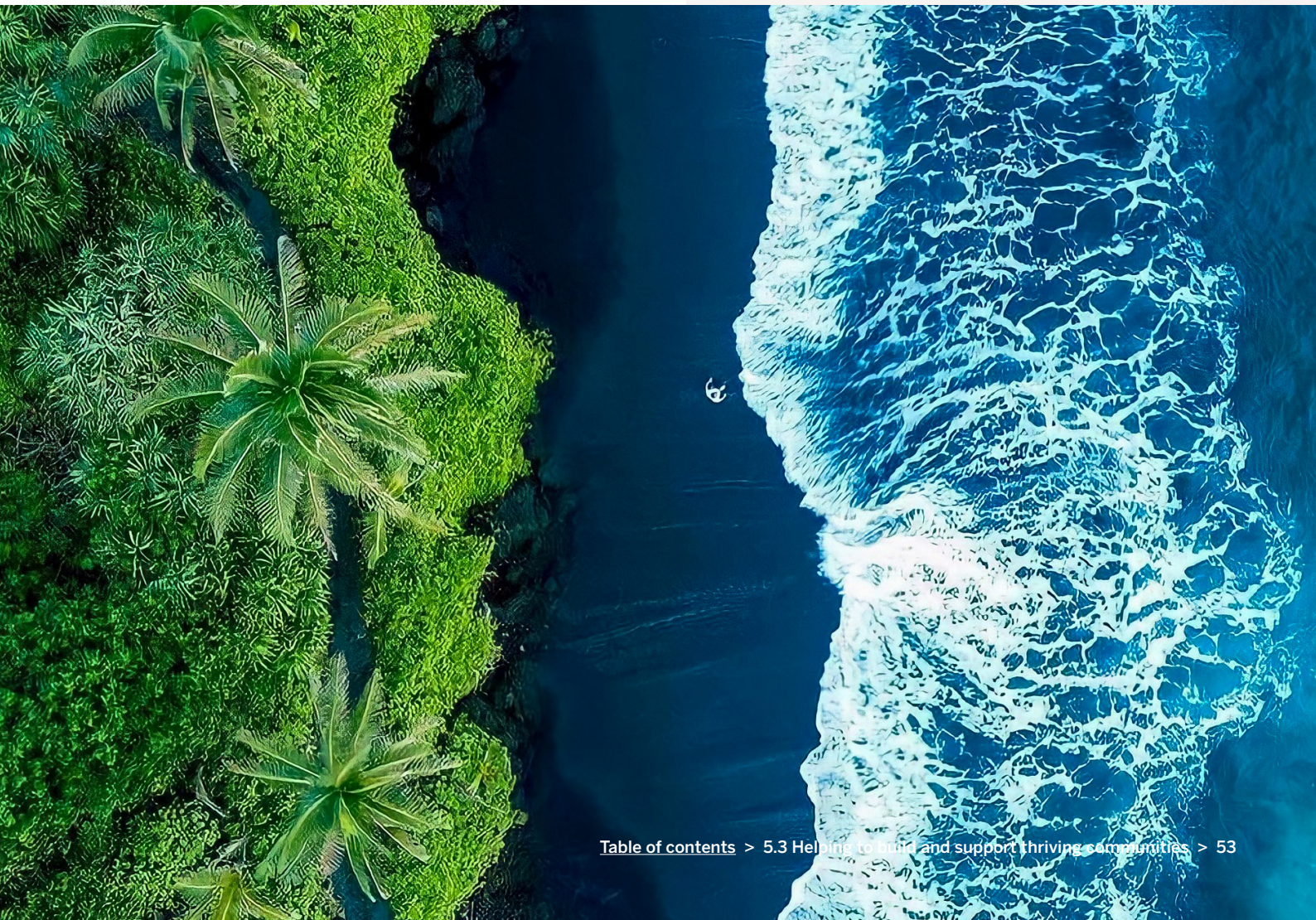
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We are helping to provide life-changing educational opportunities and helping to open up pathways for young people to succeed in school and in life.

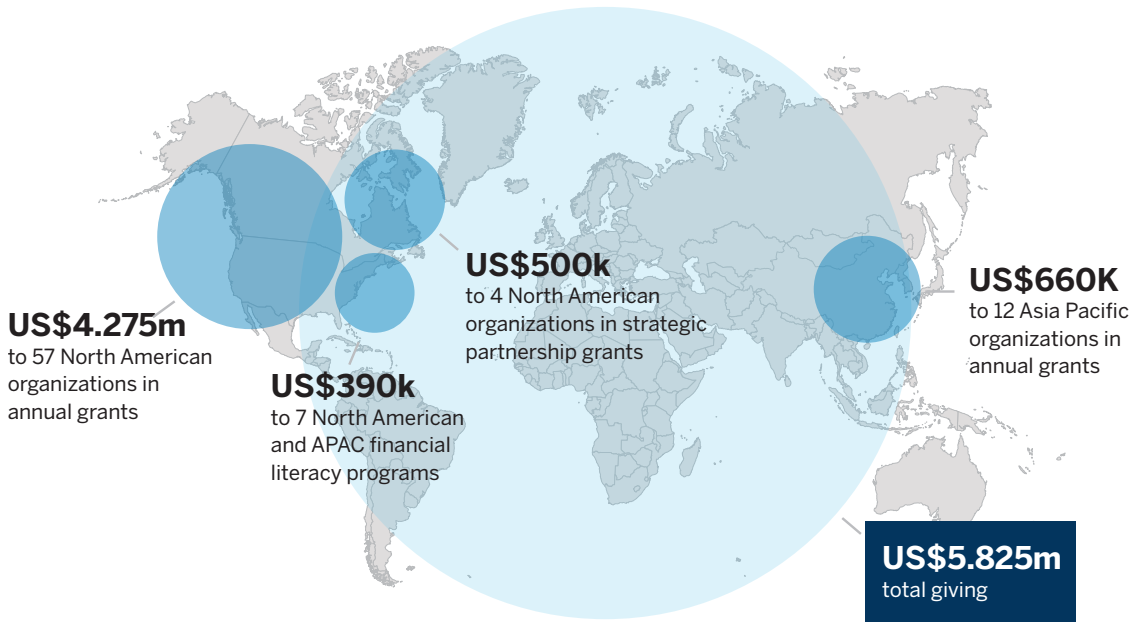


KAREN PFEFFERLE

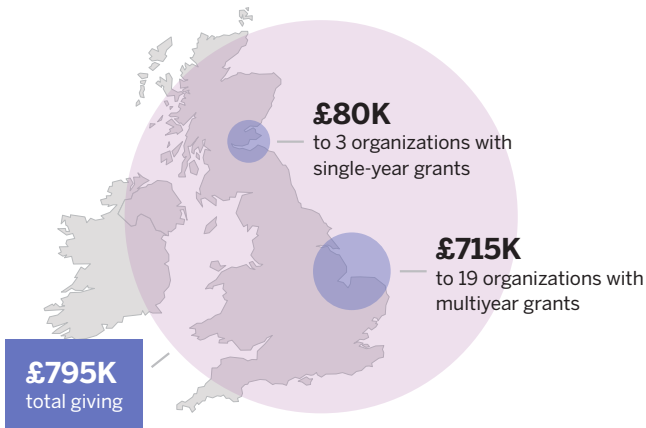
Wellington Management Foundation,
Executive Director



WM FOUNDATION DONATIONS 2025



WM FOUNDATION UK DONATIONS 2025



Volunteering

Our employee volunteer program allows each employee two business days per year to volunteer at nonprofit organizations. We believe volunteering and fundraising are as beneficial to our employees as they are to these organizations. Employees can build skills, relationships, and confidence. Across our regional offices, employees participate in several local organizations.

Below are just two examples of the many nonprofits Wellington supports.



Through our partnership with Invest in Girls (IIG), a program of the Council for Economic Education, Wellington Management helps usher in new generations of financially literate girls and increase the number of women working in finance and finance-related fields. Each year, Wellington team members serve as mentors for IIG’s Mentorship Program, working one-on-one with students hoping to work in the finance industry, and hosting at our Boston office Exploring Finance, a multiday career exploration program that provides students with the opportunity to meet finance professionals, envision themselves in new roles, and practice career skills.

BOTTOM LINE

Get in. Graduate. Go far. Massachusetts.

Bottom Line partners with degree-aspiring students from under-resourced communities, helping them get into college, graduate, and launch economically mobilizing careers. Wellington engages with Bottom Line through employee volunteering and ongoing collaboration that supports Bottom Line’s mission of expanding educational and economic opportunity. In 2025, our partnership helped students navigate key academic and career milestones by deepening engagement across mentorship and community initiatives.

5.4 Enterprise risk: Firm resilience, operational risk, and business continuity

GLOBAL CORPORATE SECURITY

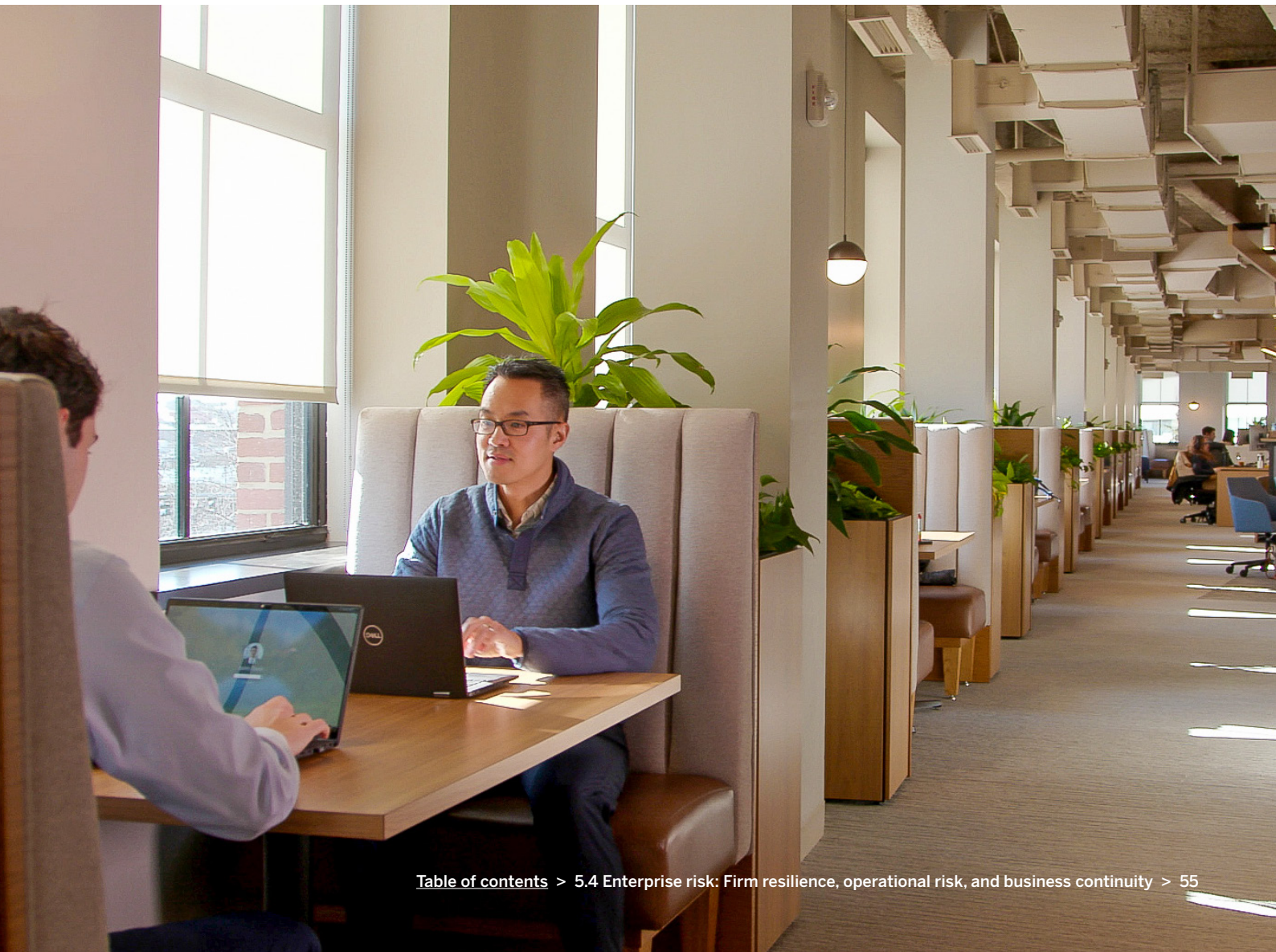
Wellington's Global Corporate Security (GCS) team, part of the Enterprise Risk function, is responsible for physical office security, travel risk management, workforce screening, threat intelligence, and incident response. GCS, which is dedicated to protecting all Wellington personnel, uses a flexible, risk-based approach to its security programs. GCS functions are centrally managed in the US and coordinated across all global facilities.

The GCS threat intelligence team produces written reports to help our workforce stay safe and continue operating. These reports include annual site risk assessments of our global offices, a forward-looking quarterly threat assessment, a daily intelligence briefing, and ad hoc pre-trip briefings for business travel to high-risk geographies. Together, these communications create a knowledge base that informs our security decision making.

ENTERPRISE RESILIENCE AND BUSINESS CONTINUITY

The Enterprise Resilience team, in partnership with GCS, ensures that Wellington offices are prepared for events that could interrupt business operations, including natural disasters, community health emergencies, and operational incidents due to technology, workforce, workplace, supplier, or data disruptions.

Each business team and office location has documented business continuity and disaster-recovery response plans and tests for a broad set of scenarios. Local teams monitor resilience risks and incidents throughout the year and use their assessments to inform scenario test plans. Trained responders and crisis management teams support each of our business locations. These teams are equipped to swiftly assess impact, communicate and/or escalate incidents, and direct recovery responses.



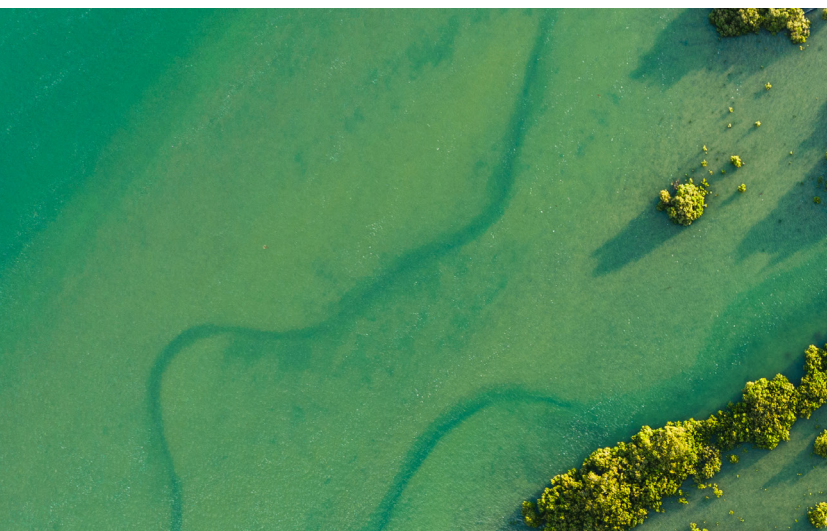
Closing thoughts and contact information

In 2025, Wellington’s SI research continued to support our firmwide objective to deliver investment excellence and value for our clients. To that end, we have remained committed to:

- **Grounding decisions in financial materiality and rigorous analysis.** We approach sustainability through a research-led, financially material lens—examining how environmental, social, and governance factors may affect issuer fundamentals, sector dynamics, and portfolio outcomes over relevant investment horizons.
- **Strengthening our integrated, investment-led research.** Our model integrates ESG, equity, and credit research within sector teams, supporting robust challenges, cross-asset perspectives, and disciplined security analysis consistent with each investment team’s P&P.
- **Staying informed through collaboration and external expertise.** Multidisciplinary research hubs and long-standing collaborations with Woodwell Climate and the MIT CS3 continue to enhance our understanding of physical and transition risks and their implications for issuer resilience.

- **Using active ownership and engagement to support long-term value.** As active managers who invest by choice, we engage with issuers on issues we believe are financially material, using constructive dialogue, voting, and — where appropriate — escalation to support effective governance, risk management, and long-term value creation.
- **Maintaining transparency and evolving our stewardship practices.** Continued investment in engagement tracking, reporting, and analytical tools strengthens oversight, accountability, and our ability to evidence stewardship activity across public and private markets.
- **Aligning firmwide risk management and operations.** The formalization of our Corporate Sustainability function in 2025 sharpened our focus on operational resilience, supply chain risk, and enterprise risk management — supporting consistency between our investment approach and firm operations.

We look forward to deepening our investment and sustainability insights and sharing our findings with clients in support of their investment objectives.



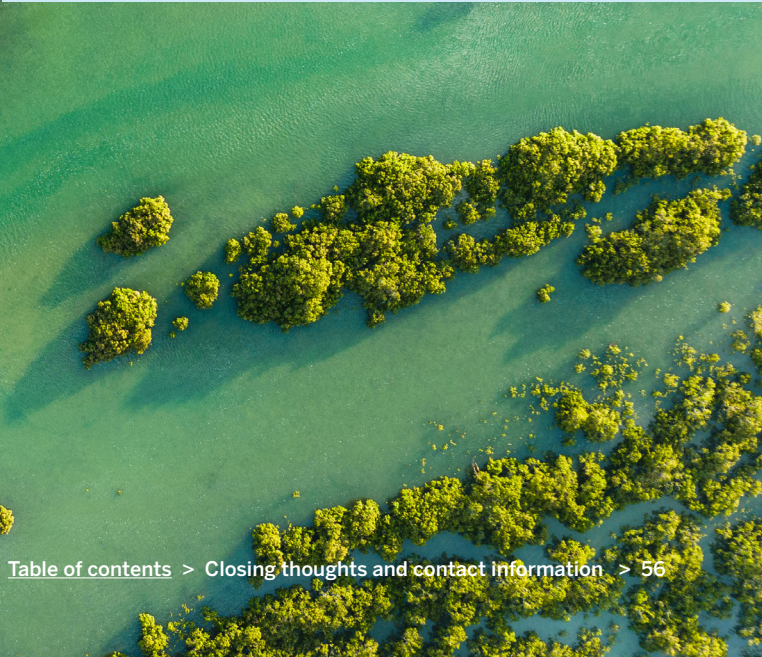
For additional information, please contact your relationship manager or visit us online:

[wellington.com](https://www.wellington.com)

[Linkedin](#)

Sustainable investing is qualitative and subjective by nature, and there is no guarantee that the criteria utilized, or judgment exercised, by Wellington will reflect the beliefs or values of any one particular investor. SI norms differ by region. There is no assurance that any SI strategy and techniques employed will be successful.

Please refer to the risks and important disclosures at the end of this report.



Appendix: Index of acronyms

AGM	Annual general meeting	MIT CS3	Massachusetts Institute of Technology Center for Sustainability Science and Strategy
APAC	Asia Pacific region	NDC	Nationally determined contribution
AUM	Assets under management	NZ PV	Net zero portfolio view
CBI	Climate Bonds Initiative	NZAM	Net Zero Asset Managers initiative
CERA	Climate Exposure Risk Application	P&P	Philosophy and process
CIDP	Client Investor Development Program	PIOC	Private Investments Oversight Committee
COP	Conference of the Parties	PM	Portfolio manager
EMEA	Europe, the Middle East, and Africa region	PRI	Principles for Responsible Investment
ESG	Environmental, social, and governance	RC	Risk Committee
EUGBS	European Union Green Bond Standard	REC	Renewable energy credit
FEWG	WMF Exclusions Working Group	REfDP	Reference Data Platform
FRC	UK Financial Reporting Council	SDGs	Sustainable Development Goals
GCS	Global Corporate Security	SEC	US Securities and Exchange Commission
GIA	Global industry analyst	SFDR	Sustainable Finance Disclosure Regulation
GIIN	Global Impact Investing Network	SI	Sustainable investment/investing
GPS	Global Investment Risk & Performance Strategy	SI PV	Sustainable investment portfolio view
HCM	Human capital management	SI RV	Sustainable investment research view
HVAC	Heating, ventilation, and air conditioning	SIGC	Sustainable Investment Governance Committee
IA	The Investment Association	SILT	Sustainable Investment Leadership Team
ICGN	International Corporate Governance Network	SIMT	Sustainable Investment Management Team
IFRS	International Financial Reporting Standards organization	SRD II	Shareholder Rights Directive II
IIGCC	Institutional Investors Group on Climate Change	TAR	Transition alignment rating
IMM	Impact measurement & management	TCFD	Task Force on Climate-related Financial Disclosures
IROGC	Investment Risk Oversight Governance Committee	TGC	Technology Governance Committee
IRRG	Investment Risk Review Group	TMG	Tokyo Metropolitan Government
ISC	Investment Stewardship Committee	TNFD	Task Force on Nature-related Financial Disclosures
ISG	Impact Steering Group	TPRM	Third-party risk management
ISSB	International Sustainability Standards Board	TRCB	Technology Risk & Controls Board
IT	Information technology	UTM	Utility transmission mechanism
KPIs	Key performance indicators	WCLC	Wellington Climate Leadership Coalition
LEED	Leadership in Energy and Environmental Design		

Risks and important disclosures

INVESTMENT RISKS

All investments involve risks. Given the long time frames for most impact projects and many companies' reliance on disruptive technologies, investments may be subject to volatility and are therefore more suited to longer investment horizons. The following are some general risks associated with various approaches discussed in this report. This is not an all-inclusive list. Each specific investment approach and product will have its own specific risks and risks will vary.

Capital risk: The value of your investment may become worth more or less than at the time of the original investment.

Concentration risk: Concentration of investments in a relatively small number of securities, sectors or industries, or geographical regions may significantly affect performance.

Equity and fixed income securities' market risks: Financial markets are subject to many factors, including economic conditions, government regulations, market sentiment, local and international political events, and environmental and technological issues. In addition, the market value of fixed income securities will fluctuate in response to changes in interest rates, currency values, and the creditworthiness of the issuer.

Foreign and emerging markets risk: Investments in foreign markets may present risks not typically associated with domestic markets. These risks may include changes in currency exchange rates; less-liquid markets and less available information; less government supervision of exchanges, brokers, and issuers; increased social, economic, and political uncertainty; and greater price volatility. These risks may be greater in emerging markets, which may also entail different risks from developed markets.

Smaller-capitalization stock risks: The share prices of small- and mid-cap companies may exhibit greater volatility than the share prices of larger-cap companies. In addition, shares of small- and mid-cap companies are often less liquid than those of larger-cap companies.

Manager risk: Investment performance depends on the portfolio management team and the team's investment strategies. If the investment strategies do not perform as expected, if opportunities to implement those strategies do not arise, or if the team does not implement its investment strategies successfully, an investment portfolio may underperform or suffer significant losses.

Sustainability risks: ESG factors may be considered as part of a broader analysis of individual issuers (including with regard to a sustainability risk assessment), using inputs from the

investment manager's team of ESG analysts to help identify global best practices, prepare for company engagement, and collaborate on new research inputs. The factors considered will vary depending on the security in question, but typically include ownership structure, board structure and membership, capital allocation history, management incentives, labor relations history, and climate risks.

BLUEMARK IMPACT VERIFICATION

Wellington Management engaged BlueMark to independently verify the alignment of our impact management system with industry best practices. BlueMark's assessment findings cover both areas of strength and areas for improvement, as reflected in the Verifier Statement. Wellington Management did pay a fee for the verification. BlueMark's full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IMM system in relation to the impact investing industry's best practices, using BlueMark's proprietary rubric, and examining processes and policies against the following criteria:
 - Compliance of the IMM system with a threshold level of practice.
 - Quality of the IMM system's design in terms of its consistency and robustness.
 - Depth of subcomponents of the system, focused on completeness.
2. Interviews with Wellington staff responsible for defining and implementing the IMM system.
3. Testing of selected Wellington transactions to check the application of the IMM system.
4. Delivery of detailed assessment findings to Wellington, outlining areas of strong alignment and recommended improvement, as well as BlueMark's proprietary benchmark ratings on the extent of alignment with impact investing industry best practices.

Wellington provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IMM system. The scope of BlueMark's work was limited to processes in place as of March 2025. BlueMark's verification does not constitute either an endorsement of Wellington Management's practices or a verification of the resulting impacts achieved. The verification may not be representative of any one client's experience. The verification is not indicative of Wellington Management's future performance. Past performance is no guarantee of future results.

ABOUT THIS REPORT

The Shareholder Rights Directive II (SRD II) is an EU directive that aims to strengthen the position of shareholders and ensure that decisions are made for the long-term stability of a company. The UK Stewardship Code 2020 sets high expectations for how investors, and those that support them, invest and manage money, and how this leads to sustainable benefits for the economy, the environment, and society. At a high level, the purpose of SRD II and the UK Stewardship Code is to promote long-term shareholder engagement through increased transparency and encourage long-term investment decision making by both asset owners and asset managers. This report is designed to be an overview of our progress toward sustainability goals and investment practices and should not be taken as advice or a recommendation. Certain data provided is that of a third party. While data is believed to be reliable, no assurance is being provided as to its accuracy or completeness. Data provided is as of 31 December 2025 unless stated otherwise. Company examples are for illustrative purposes only, are not representative of all investments made on behalf of our clients, and should not be interpreted as a recommendation or advice. Company information is sourced from multiple sources including the following: annual and quarterly reports; industry research pieces; company websites; press releases; case studies; and company engagements.

Individual portfolio management teams may hold different views and may make different investment decisions for different clients. Views may change over time. Each account is individually managed; the extent to which ESG research and SI are considered in the investment process will vary depending on the investment policy established for the approach or fund. Investors should always obtain and read an up-to-date investment services description or prospectus before deciding whether to appoint an investment manager or to invest in a fund.

Sustainable Development Goals (SDGs): Wellington Management supports the SDGs. The SDGs and targets are sourced from UN.org. Wellington determines, based on its own research of each company, the UN SDGs, and targets that, in our view, each portfolio company is most aligned with. Other investment firms may take different views. This information should not be construed as a recommendation or endorsement by the United Nations for any investment example shown by Wellington Management. Examples are also not indicative of their future performance. Additional information is available upon request.





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