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Policy on Sustainability Risks in Decision-Making Processes

PineBridge Investments Ireland Limited (the "Company")

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1. Introduction and requirement

This Policy relates to the integration of sustainability risks in the investment decision-making processes of the Company and, as the Company delegates investment management, to the process of investment managers to whom it delegates the investment management of certain mandates. This Policy is required pursuant to Article 3(1) of the Sustainable Finance Disclosure Regulation 2019/2088 ("**SFDR**"), which applies to the Company in its capacity as an AIFM and a UCITS Management Company, and any "**financial product**" that it manages, which includes AIFs, UCITS and separate managed accounts.

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

The Company delegates investment decision-making of financial products directly or indirectly to its affiliates [1] including PineBridge Investments LLC, PineBridge Investments Asia Limited, PineBridge Investments Asia Limited, PineBridge Investments Japan Co., Ltd., PineBridge Investments Europe Limited and PineBridge Investments Singapore Limited (the "**Investment Managers**").

The integration of sustainability risks and how those risks are managed is determined on an asset class-by-asset class basis by teams of portfolio managers and analysts specialised in specific asset classes ("**Investment Teams**"). It is these Investment Teams that implement investment decision-making, and the Company has, in consultation with these Investment Teams, formulated this Policy.

2.1 Listed equity assets

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

In the instance the Investment Manager has concerns about the results of its analysis, whether ESG- or sustainability risk-related or not, it will engage with the company to highlight the issue, address the concern and attempt to influence change within the organisation. Where the engagement is less successful than hoped, or where the management response is unsatisfactory, the Investment Manager may follow proxy voting procedures to express its view more publicly. Only as a last resort, will the Investment Manager divest.

2.2 Fixed income assets

[1] "Affiliates" means a subsidiary undertaking of PineBridge Investments, L.P.

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

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

2.3 Multi-asset investments

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

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

In ascribing the ESG Outlook, as well as examining issues related to governance such as fraud, business ethics and board independence, the Investment Manager also considers environmental issues such as emissions intensity and social issues such as diversity in board-level positions.

The Investment Managers also identify the level of engagement expected to be required in each asset class and typically will invest passively where the expectation is that most companies or securities will have relatively low Sustainability Risk, and typically will invest with active managers where the Sustainability Risk is expected to be higher, and more active engagement is expected to be warranted.

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

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

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