

ESG Policy Statement

May 23, 2023

I. Policy

Environmental, Social and Governance (ESG) issues are among some of the highest priorities at Intech, both as an organization and as an investor. Responsibility for this initiative begins with our Chief Executive and Chief Investment Officer, and permeates all levels of the firm.

Our behaviors and actions as individuals, and collectively as an asset management company, can affect not only our clients, consultants, colleagues, and communities, but also society more broadly and the planet as a whole. All of us have a role in sustainable development, and the Intech team has been advancing its contributions. Commensurate with our clients' transition to sustainable investing, we embrace a long-term sustainability focus across Intech's areas of influence: ESG Investments, Active Stewardship, Global Cooperation, and Corporate Responsibility.

II. ESG Investments

Our firm's approach to responsible investment is based on exactly the same principles we apply to everything else that we do as an organization, with regard to aiming to deliver the most consistent, sustainable and repeatable long-term returns for our clients, while staying true to the scientific principles upon which our organization was founded, and maintaining the highest ethical standards.

We are long-term investors, and as a fiduciary to our clients, we are obligated to understand and balance the trade-off between generating returns, and the varied and changing sources of risk associated with those returns. Incorporating a thorough analysis and understanding of ESG risks and opportunities into that evaluation is a crucial part of this.

We believe that ESG characteristics bring systematic risks that we want to monitor and control. As such, we developed ESG risk factors and constraints that control the systematic risks induced by ESG related issues, with the flexibility to create bespoke solutions based on clients' specific ESG preferences. As of June 30, 2023, all our strategies incorporate ESG risk controls.

We take a risk-based approach to ESG. We combine third-party ESG ratings that emphasize the impact of stock-specific issues with extensive internal statistical analysis of broad and persistent ESG themes. This allows us to integrate ESG considerations into our investment process in a manner complementary to the rest of the portfolio constraints, while maintaining the target of consistent long-term outperformance. Our ESG risk factors and ESG specific constraints are one of many dimensions in which we measure and control risk and are subject to a similar process as the other factors and constraints we consider in our process.

For the clients that specifically desire an improved ESG profile versus the benchmark (ESG score boost, carbon reduction...), we aim to provide strategies that consistently satisfy this goal in a way that balances the resulting risk and return outcomes.

We believe that our risk-based approach of integrating ESG considerations offers a reliable framework to control ESG-based systematic risks. Additionally, it provides flexibility to create enhanced bespoke ESG solutions based on various ESG preferences.

III. Active Stewardship

Exercising voting rights on behalf of our clients who delegate this responsibility to Intech is an important part of our fiduciary obligation, and a key mechanism of engagement with our portfolio companies. By so doing, we aim to have a positive, long-term impact on the companies in which we invest.

We partner with Institutional Shareholder Services, Inc. (ISS), which offers a range of different voting policies from which our clients may choose to reflect their voting preferences, including those related to sustainability. For clients seeking environmental, social and corporate governance (“ESG”) integration, Intech will vote with ISS Sustainability Guidelines. They may also choose ISS Climate Proxy Voting Guidelines among the selection of guidelines choices.

Intech maximizes the impact of engagement efforts by joining with other investors in using ISS ESG’s Collaborative Engagement services. The service allows investors to participate in a joint outreach and dialogue with companies on material sustainability-related themes. They comprise two solutions, ISS ESG’s longstanding Norm-Based Engagement solution (previously known as Pooled Engagement) and the Thematic Engagement solution. While the Norm-Based Engagement solution allows investors to react to controversies, the Thematic Engagement solution offers a more proactive solution on selected material themes.

Under the Norm-Based Engagement solution, ISS identifies approximately 100 companies per year that

fail to prevent or address social and environmental controversies in line with established standards for responsible business conduct. Investors can voice their concerns with companies identified as involved in controversies with a severe adverse impact on society or the environment by ISS ESG’s Norm-Based Research, and request transparency regarding risk mitigation. Engagements cover human rights, environment, human rights, and corruption.

We are also a signatory of Climate Action 100+ in order to broaden our engagement related to environmental issues. Climate Action 100+ is an investor-led climate change initiative. Members of this initiative hold constructive dialogues with the world’s largest corporate greenhouse gas emitters that can have a significant impact on the resolution of climate change.

We believe that through our partnership with ISS and Climate Action 100+, the scope and efficacy of our engagement are greater than what we would be able to achieve on our own given the quantitative nature of our investment process and our risk-focused approach to ESG investing.

IV. Global Cooperation

Given the significant challenges facing our society, the impact of a collective effort to bring about positive change is much greater than the efforts of individual asset managers and asset owners. In that spirit, Intech participates in several governance- and sustainability-related investor platforms.

We are an active member of the United Nations Principles for Responsible Investing (PRI), and disclose our sustainability investing approach in the PRI’s annual transparency report. Our status as a PRI signatory underscores Intech’s dedication to ESG issues and we value the voice we have in defining and shaping ESG discussions, the development of best practices, and ultimately the potential to enhance the risk-adjusted returns we deliver to clients.

Intech is also a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), a working group tasked with creating a set of comparable and consistent disclosures that companies can use to demonstrate climate change resilience to their capital providers.

In 2021, Intech became a signatory to the Investor Agenda. This initiative provides a forum of collaboration within the asset management industry on climate action and promotes best practices in term of ESG investments, corporate engagement, investor disclosures, and policy advocacy. We also support the Paris Agreement to limit global temperature rise to below 2°C (3.6° F).

V. Corporate Responsibility

Our commitment to sustainability in our ESG policy is further reflected in our own corporate strategy and business operations. Our Corporate Social Responsibility Committee (CSRC) provides a strategic direction on sustainability and underpins our commitment to improving our own sustainability practices. The CSRC seeks to understand the impact of our business operations on the environment and develops plans and processes that minimize these impacts, as well as evaluates the effectiveness of sustainability programs

and initiatives. Intech actively embraces an environmentally aware culture and encourages employees to take steps towards creating positive sustainability through various initiatives of their own.

We recognize that climate change is one of the most pressing issues today. As a TCFD supporter, we are committed to formulating a firm-wide approach to accelerating clean economic growth and supporting the transition to a low-carbon global economy. Climate risk is specifically included as a theme in the CSRC's initiatives regarding our approach to climate-related issues. The CSRC determines how it can influence internal decision-making by identifying, assessing, and managing climate-related risks and opportunities and strengthening policies and implementing relevant programs, practices, and behaviors.

As an employer committed to sustainable practices, we actively promote diversity in many different dimensions and equal opportunity for all, as well as provide encouragement and financial support for ongoing professional development. We are committed to creating a diverse and inclusive environment that promotes cultural awareness and respect by implementing policies, benefits, training, recruiting, and recognition practices that support every one of our colleagues and provide a family-oriented, healthy workplace.