

Embracing Our Sustainability
IMPERATIVE
CORPORATE SUSTAINABILITY REPORT
2016

Certified



Corporation™
bcorporation.net



We believe sustainability
is **instrumental** in driving
business success.



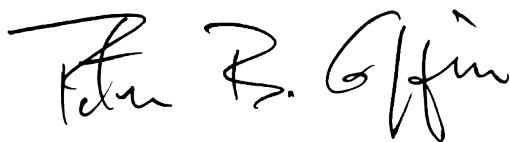
Letter from Our President

Most of us are long-term investors, but we tend to evaluate our investment results in the short term—and sometimes short-term concerns overwhelm rational, long-term thinking. At Breckinridge, we strive to counter that tendency by seeking a safe, reliable source of income and capital for investors, thereby helping them to better cope with volatility and persevere in times of distress. Simply put, our goal is to help investors remain focused over the long term.

Our long-term focus drives us to be forward-looking with our research, continuously striving to discover and prioritize those risks and opportunities that will matter most over time. As such, we were early among fixed income managers to integrate the analysis of environmental, social and governance (ESG) factors into the investment process. We believe that companies and municipalities with stronger ESG scores relative to their peers are likely to be better prepared to meet future challenges and new opportunities. ESG analysis also provides a more holistic view of the character and caliber of management, because it examines policies and practices that are potentially more beneficial to long-term results than to short-term profit.

As we grew to understand the importance of ESG factors through our research and investing, we came to better appreciate the relevance of sustainability to Breckinridge's own business success. We believe companies that create value for all their stakeholders are more competitive and resilient over the long term. To reflect this belief, in 2013 we became a certified B Corp. The initial B Corp certification and subsequent reporting have provided us with useful structure and benchmarks for making meaningful and measurable progress in sustainability. Once we achieved certification as a B Corp, we took the next step and amended Breckinridge's charter to become a Massachusetts Benefit Corporation. In so doing, we have embedded our focus on sustainability into the legal underpinnings of our business.

Our commitment to stewardship extends beyond our investment decisions and our internal business activities. Over the years, our community outreach effort has energized our employees around issues that matter most to them. Each year, we commit 1 percent of our gross receipts to charitable organizations and offer a breadth of volunteer opportunities to our employees. I am very pleased that our community efforts continued in 2016, with charitable contributions made to over 108 organizations and our employees volunteering 579 hours across 24 charitable activities.



Peter B. Coffin

We see sustainability as interwoven across our investment decisions on behalf of our clients, our internal business activities and our community outreach efforts.

For example, an increasingly important part of our corporate bond research is to hold regular engagement calls with management teams. We bring useful context to these calls because we have experience in implementing better sustainability practices ourselves, allowing us to engage with management more credibly and collaboratively. Similarly, our community volunteer activity has fostered a broader perspective on inclusiveness and diversity, which has helped to inspire Breckinridge's new frameworks for analyzing cities and counties. These frameworks combine measures of economic success with social progress. Finally, as a B Corp, we're also encouraged to be more transparent at all levels. This has carried over to our client reporting, which now provides greater detail on the merits and impact of each portfolio's investments.

Lastly, we continue to refine our risk management policies in order to protect our clients' assets over the long term. In 2016, we made significant strides in improving data privacy and security risks as guided by widely recognized external security and risk frameworks in areas such as workstation encryption, employee authentication, and email safety. We believe that these efforts further enable us to serve as responsible stewards of our clients' capital.

Sustainability has always encouraged a long-term perspective, and history has proven the advantages of such a perspective toward investing. A long-term approach is particularly important with high-quality fixed income, where the mandate is to help investors remain steady and directed through uncertain times.

At Breckinridge, we believe there is now an elevated level of uncertainty as the growing populist movement has shifted political priorities to favor short-term solutions over longer-term sustainable initiatives. Fortunately, investors can—and should—maintain a much longer horizon. This enables them to prioritize investment considerations that favor resiliency and enduring value.

We are pleased to see that the momentum for ESG investing continues to build, and we remain committed to our work in sustainability, now and for the long term.



“

**In the face of growing uncertainty,
a bold commitment to sustainability
has never been more urgent.**

– PRESIDENT PETER B. COFFIN



Letter from Our Benefit Director

As Benefit Director, I am pleased to report that Breckinridge has made significant strides in its mission to provide the best in high-quality fixed income management. In pursuing this vision, Breckinridge helps facilitate the flow of capital from investors to responsible companies and impactful municipal projects. To that end, the firm continuously aims to improve two of its most important tools—ESG research and issuer engagement. These tools are used to identify companies with the best policies and practices; the strongest preparation for challenges; and the most beneficial opportunities for investors. Issuer engagement allows the firm to gain a deeper understanding of bond issuers and to voice concerns and questions for management teams.

I am particularly pleased with the progress that Breckinridge has made in examining new metrics to assess the long-term well-being of municipalities. In particular, Breckinridge has created a framework for analyzing cities and counties that

takes into account foundations of well-being in a community, such as inclusiveness and diversity. The framework adopts ideas from the Social Progress Index, a globally recognized framework that aims to guide policymakers, nonprofit leaders and businesses in driving greater prosperity. Recent history has made clear the social and environmental stresses confronting many cities and counties in the U.S. Breckinridge directs capital to communities that are better positioned to weather these challenges and attract a younger, talented and more educated workforce.

Breckinridge's progress in ESG aligns with the firm's mission to be thoughtful in its research and to continue to invest sustainably. Therefore, I am very pleased to attest that, in the opinion of the Board, the company has acted in accordance with its general benefit purpose in all material aspects during 2016 and that the directors have complied with their duties to consider the impact of decisions on stakeholders.

Very truly yours,

A handwritten signature in black ink that reads "Geor. P. Beal". The signature is written in a cursive, flowing style.

George P. Beal



Our mission is to provide the highest caliber of fixed income management, thereby facilitating a **sustainable** flow of capital from **long-term** investors to **responsible** corporate and municipal borrowers.



BOLDLY CHARTING THE COURSE

Sustainability is in our DNA. Ever since our founding in 1993, we have been committed to thoughtful stewardship through our investment decisions, our business activities and our community outreach. This sense of stewardship empowered us to embrace new ideas and opportunities, becoming one of the pioneers in sustainable investing and one of the early adopters of the benefit corporation principles in our industry.

ESG INTEGRATION

From the beginning, we have aimed to make thoughtful, long-term investment decisions on behalf of our clients. We believe that intelligent investing is ultimately about making every effort to incorporate what we know now and what we believe will matter most over the long term.

We are deeply committed to excellence and rigor in all that we do. This philosophy is particularly reflected in our thorough, bottom-up investment process. In each and every investment decision we make, we are painstakingly intent on uncovering the most important insights from the broadest range of sources.

Our long-term perspective and our focus on thorough investment research and analysis drove our interest in the integration of environmental, social and governance (ESG) factors into the investment process. To this end, in 2010 we started developing our ESG integration capabilities in a systematic way.

Since its inception in 2011, our ESG integration approach has been a critical component of our investment process. Despite being one of the earliest adopters of ESG within the fixed income space, we don't rest on our laurels. We have been committed to continuing innovation in sustainable investing.

We are also actively engaged in the broader sustainable investing arena to help drive the space forward. In 2012, we became a signatory of the United Nations Principles for Responsible Investment. We also partner with multiple other sustainability-driven organizations.

Today, we integrate ESG factors across all of our assets under management, and we manage \$1.5 billion (as of December 31, 2016) in sustainable accounts on behalf of individual and institutional investors. We also offer a range of customizations that enable our clients to align their investments with their values.

BENEFIT CORPORATION & B CORP STATUS

Our commitment to sustainability extends to our day-to-day operations. We believe that business can and should be a force for good, and we aim to reflect this in our own corporate sustainability efforts.

Accordingly, in 2013 we became a certified B Corp and a Massachusetts registered Benefit Corporation. In doing so, we joined a global community of forward-thinking, largely privately held companies that are committed to the idea of business as an agent for positive change.

We believe that our B Corp status helps us to improve our performance in myriad ways. From helping us measure and evaluate the environmental impact of our operations to informing our human capital and other policies, the B Corp assessment process has made us a better firm.

Our Benefit Corporation designation provides legal authority for our mission, adding longevity and structure to our sustainability efforts. We believe this significantly strengthens our decision-making, today and over the long term.

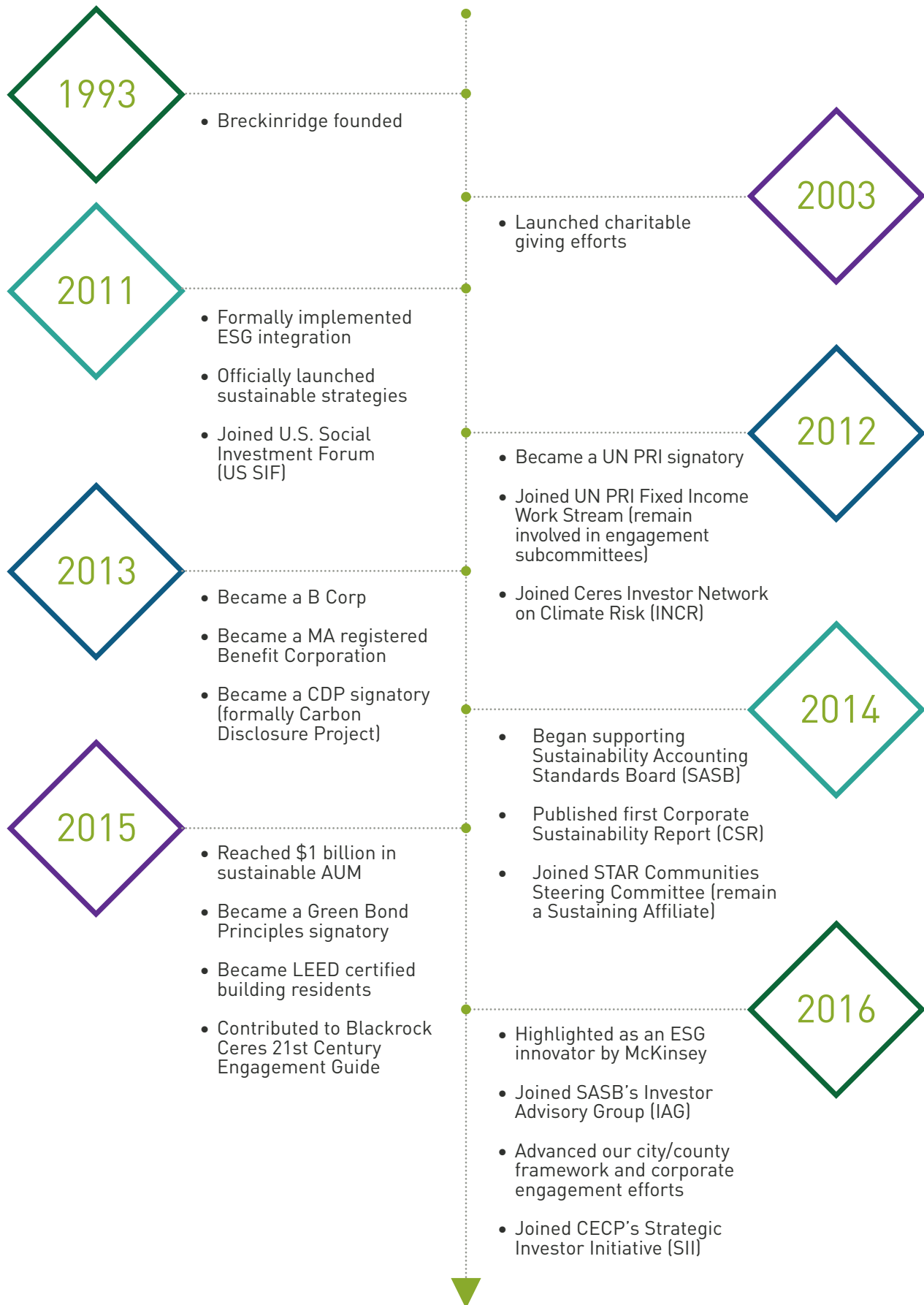
COMMUNITY OUTREACH

Giving back to our community is a key pillar of the Breckinridge culture. Our community outreach efforts date back to 2003 and have continued to grow and expand over the years.

As a firm, we are committed to allocating 1 percent of our gross receipts to a range of charitable organizations that are meaningful to us and our employees. We believe that this enables us to amplify our impact.

To date, we have contributed nearly \$2 million in monetary donations and thousands of volunteer hours.

Our Sustainability Story



LEADERSHIP IN ACTION

As an asset manager, the most effective way we can integrate sustainability into our business is through our **investment decisions on behalf of our clients**. To this end, we have developed a robust environmental, social and governance (ESG) integration capability. We believe there is a powerful investment case for sustainability, and we view ESG factors as critical in our investment research and analysis.

OUR ESG INTEGRATION PHILOSOPHY

At Breckinridge, ESG integration is more than a product offering: It's an investment philosophy that aligns with our tradition of in-depth credit research and our long-term perspective.

We believe that ESG integration enables us to gain deeper insight into the underlying risk and value of an investment. As high-quality fixed income investors, we prioritize long-term value preservation and creation over short-term market gains, and we believe that ESG considerations align with this perspective.

We integrate ESG research and analysis across our assets under management and offer clients a range of specifically designated sustainable strategies and customizations that emphasize ESG.

PRINCIPLES FOR RESPONSIBLE INVESTMENT

Our ESG integration philosophy is aligned with the United Nations-backed Principles for Responsible Investment (PRI). As a PRI signatory, we are committed to its core principles and have outpaced our peers in our overall Strategy & Governance scores over the past two years.

As part of our commitment to the PRI, we aim to create a broader dialogue about sustainability, ESG integration and long-term value creation within the investor community. As such, we continue to partner with a wide variety of leading sustainable investment organizations such as Ceres, CDP, SASB and others.

Our commitment to the PRI is also reflected in our active engagement with issuers.

ISSUER ENGAGEMENT

Breckinridge believes that engagement leverages our voice as a stakeholder to bring greater focus on management's stewardship of ESG issues, in accordance with the PRI. Bondholders play a key role in the capital structure but, unlike shareowners, we have no formal venue such as proxy voting where our voice can be heard systematically.

To address this, we direct our engagement efforts through private dialogues with management. During these discussions, we gain a better understanding of the credit and ESG profiles of issuers and the material issues, opportunities and risks they face. At the same time, we proactively encourage strategic focus on ESG, high standards of ESG management and transparent reporting on material ESG factors.

COMMITMENT TO INNOVATION

We believe in continuous improvement and innovation, and we never stop challenging ourselves. As such, we are deeply committed to the ongoing enhancement of our investment process.

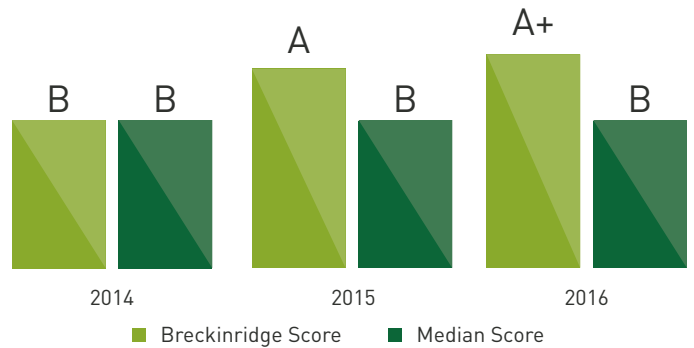
Since the inception of our ESG integration efforts, we have strived to deepen our own understanding of what makes ESG factors truly material and relevant in investment decision-making. We strongly believe in the importance of materiality and integrated reporting.

To this end, we are always exploring fresh and innovative ways to refine our ESG integration process.

Our ESG Integration

OUR UN PRI SCORES

As a PRI signatory, we are committed to its core principles and we have outpaced our peers in our overall Strategy & Governance scores in the past two years.

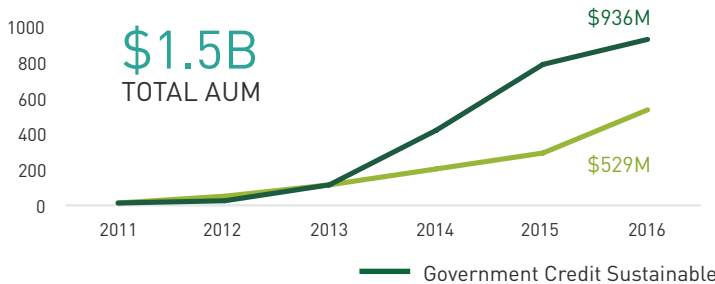


FIRM AUM MILESTONES

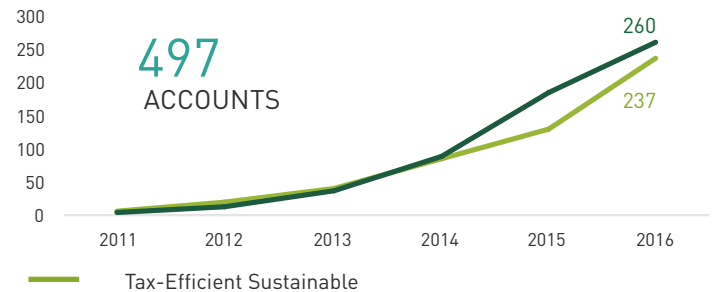
Breckinridge's assets under management have grown steadily since its founding.



OUR SUSTAINABLE STRATEGIES (\$AUM in millions)



OUR SUSTAINABLE STRATEGIES (# of accounts)



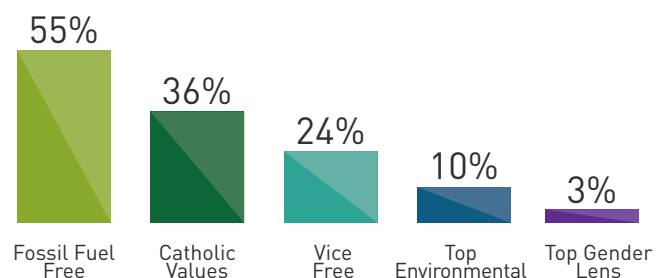
We increasingly hear clients cite our ESG integration across **all** assets under management as one of the key reasons they selected Breckinridge.

PHILLIP NEWELL, EVP, CONSULTANT RELATIONS

OUR TOP VALUES-BASED MANDATES*

Sustainable investors often choose to invest in alignment with their values. To accommodate, Breckinridge offers a variety of values-based mandates.

\$520M Total AUM for our top values-based mandates as of December 31, 2016.*



*Based on AUM. Values-based mandate AUM is also included in sustainable AUM. Figures in chart reflect percentages of overall values-based mandate AUM.

Our ESG Innovations in 2016

ISSUER ENGAGEMENT

To enhance our issuer engagement effort, we appointed Jem Hudson as director of engagement and developed a structured process for corporate engagement that prioritizes questions such as the strategic significance of ESG to the issuer, the linkages between ESG factors and financial results and the issuer's efforts toward integrated reporting. Our questions also address material ESG factors, as determined by our Investment Team.

ENGAGEMENT PRIORITIES

- Strategic significance of ESG
- Quality of ESG management
- Integrated reporting
- Material ESG factors



SUSTAINABLE CITY / COUNTY FRAMEWORK

We refined our analysis of cities and counties in order to reflect inclusiveness as an important factor, both from the sustainability as well as credit perspective. Our goal is to identify cities and counties that are likely to exhibit societal as well as economic well-being over the long term. Our first-of-its-kind framework is informed by the globally recognized Social Progress Index.

ECONOMIC METRICS

INCLUSIVENESS METRICS

Basic Human
Needs

Foundations
of Well-being

Opportunity

SUSTAINABILITY RATING

CORPORATE FRAMEWORK

As part of our ESG analysis of corporate issuers we bolstered our qualitative commentary, which supports our quantitative scores. By combining our quantitative assessment of ESG factors and a rigorous review of qualitative ESG considerations, we derive a composite Sustainability Rating. Our analysts are then able to develop a holistic view of the ESG performance of an issuer and its impact on the issuer's overall credit rating.

Quantitative
Score



Qualitative
Assessment

SUSTAINABILITY RATING

Our ESG Innovations in 2016

IMPACT REPORTING

Our new impact reporting methodology offers our clients material holdings-level ESG assessment summaries. This proprietary methodology enables us to share a high-level glimpse into how our analysts think about each credit. We believe this is an important step toward the greater transparency in ESG and impact reporting increasingly sought by our clients.



ESG NEWSLETTER

We believe that it is our responsibility to take part in the broader dialogue on sustainability and the role of investors in society. To this end, in 2016 we launched our ESG Newsletter, which discusses our latest innovations in ESG integration, topics of greatest interest to sustainable investors and timely issues.



SASB INVESTOR ADVISORY GROUP

In October 2016, Breckinridge President Peter Coffin joined SASB's Investor Advisory Group (IAG) as a founding member. In the formation of the IAG, SASB, Breckinridge and other leading asset owners and managers aim to encourage companies to disclose material ESG information and advocate for improving the quality and comparability of sustainability-related disclosure to investors.



BUSINESS AS A FORCE FOR GOOD

At Breckinridge, we believe **sustainability is instrumental in driving business success**. Companies that create value for all their stakeholders are more competitive and resilient over the long term. With this in mind, we view sustainability as a key strategic priority. As a B Corp, we believe our business can and should be a force for good, and this philosophy permeates all that we do.

BENEFIT CORPORATION & B CORP STATUS

Just as we value issuers that prioritize sustainability, we are committed to the environment and the communities in which we live, work and invest. To this end, we have integrated sustainability considerations into our day-to-day business activities.

We are proud of our status as a certified B Corp and a Massachusetts registered Benefit Corporation. By proactively seeking these designations, we were able to solidify our corporate sustainability efforts and firmly establish their significance within our business.

Our focus on corporate sustainability is a key pillar of our culture. Breckinridge empowers employees to scrutinize our practices and identify areas of risk and opportunity. We also increasingly prioritize suppliers that focus on sustainability, including Blue Cross Blue Shield and Bloomberg.

EMPLOYEE WELL-BEING

Our employees are vital to our business, and we strive to inspire our staff to bring their best selves to work.

We are committed to cultivating an inclusive culture with diverse perspectives and talents. We believe that this type of environment encourages professional and personal well-being, development and growth.

In 2016, we continued to offer a range of comprehensive benefits to our employees, including fully paid health insurance coverage and sponsorship for post-secondary education and other educational programs.

For the year, we also advanced women in the workplace through hiring and promotions. 53 percent of our new hires and 42 percent of internally promoted employees were women.

ENVIRONMENTAL IMPACT

We pay close attention to the environmental impact of our operations. For this reason, in 2011 we formed an Environmental Committee to oversee the establishment and implementation of our environmental policies.

In 2016, our environmental efforts focused on several important areas such as continuing improvement in recycling of our office supplies, carbon offsets for our business travel and employee education.

Our office spaces are located in LEED certified buildings, which offer various environmentally friendly features such as the use of renewable energy, recycling of building materials and reduced waste and water use.

We also continue to explore a broad range of issues pertaining to our environmental impact, and our employees play a key role in introducing new solutions.

CORPORATE GOVERNANCE

Our commitment to sustainability comes from the top. Our founder and president, Peter Coffin, is actively engaged in a range of important sustainability initiatives. He is also joined by our Board of Directors, including our benefit director, George Beal.

In 2016, we undertook several efforts to bolster our governance practices. This includes an in-depth employee survey, which will inform our key governance decisions moving forward.

As part of our deep commitment to excellence, we continue to evaluate and refine our compliance policies in accordance with leading industry standards. We believe this strengthens our business and helps us deliver the highest quality service to our clients.

Our Benefit Corporation & B Corp Status

EMPLOYEE WELL-BEING

HEALTH AND WELLNESS

100% covered health insurance (\$0 deductible cost vs. \$1,077 industry average deductible cost)

 **100%** of gym membership covered

44% of employees took advantage of Breckinridge's annual CPR/AED certification course



 **1385** lbs of fruit were offered via weekly deliveries by B Corp Boston Organics

EDUCATION PROGRAMS

 **5** employees participated in sponsorship for graduate school

Employees also benefit from available funding for seminars, conferences and professional certifications (e.g. CFA, SASB, etc.)

WOMEN IN THE WORKPLACE



53% of new employees were women



42% of internally promoted employees were women

CORPORATE GOVERNANCE

EMPLOYEE SURVEY

 **94%** of employees participated in our first employee survey
 **78%** is the industry average for participation in employee surveys

 **95%** of employees stated that they would recommend working at Breckinridge
 **86%** is the industry average answer for the same question

ENVIRONMENTAL IMPACT

ELECTRICITY



624 kilowatt hours of renewable credits were purchased via Renewable Choice Energy to offset 100% of estimated electricity used

13492 kilowatt hours of electricity saved by shredding/recycling through Iron Mountain

CARBON EMISSIONS



306 metric tons of carbon offsets were purchased via Renewable Choice Energy to counteract employee commuting and traveling

8933 lbs of CO2 emissions avoided by shredding/recycling through Iron Mountain

RECYCLING (IRON MOUNTAIN)



30.85 cubic yards of landfill space conserved

103.5 trees preserved

169099 gallons of water saved

ELECTRONICS RECYCLING (EARTHWORM RECYCLERS)



174 lbs of electronics equipment recycled via collection drive

4.8 lbs of lead diverted from landfills/incinerators

15.5 mgs of mercury diverted from landfills/incinerators

Employees described Breckinridge as:

INNOVATIVE
INTELLIGENT
THOUGHTFUL

FOCUSED
COLLABORATIVE

Our Community Outreach

IMPACT BEYOND MEASURE

We strongly believe it is our responsibility to serve as stewards of our community and environment through **charitable giving and community outreach**. These efforts further bolster our commitment to driving positive impact by reaching beyond our own business activities. Our goal is to enable our employees to directly address important social and environmental issues through active participation.

SOCIAL AND CHARITABLE ACTIVITIES

A commitment to giving back to our community is a central aspect of the Breckinridge culture. Our employees often cite our community outreach as one of their favorite aspects of working at Breckinridge.

To add greater structure to our community outreach efforts, in 2011 we created a Social Charitable Committee. Led by employees from across departments, the committee has played an instrumental role in driving employee participation across several important community efforts.

In 2016, the committee helped coordinate a range of activities targeting important issues such as poverty alleviation, education, environmental protection and homelessness, among others. In total, Breckinridge contributed \$296,000 (or 1 percent of our gross receipts) and 579 volunteer hours through these efforts.

REGIONAL GIVING PROGRAM

Our Regional Giving Program aims to extend our charitable giving beyond our own community.

Our employees team up based on issues of interest (e.g., education, environment, veteran affairs, etc.) and each team aims to select two charities per year based in two different regions across the United States.

This effort is further accompanied by a volunteer event that takes place more locally but is thematically aligned with each team's issue of focus.

In 2016, we contributed \$78,000 and 112 volunteer hours through the Regional Giving Program.

STRATEGIC PARTNERSHIPS

In addition to our community outreach, which offers opportunities for employees to address important issues they care about, we also contribute to and partner with organizations that are aligned with our strategic sustainability priorities as a firm.

Over the years, we have established strong relationships with selected nonprofit organizations that are galvanizing investors around sustainable investing, impact investing and ESG integration.

In 2016, we continued our partnership with Ceres, a Boston-based nonprofit organization that focuses on addressing climate change and other global issues through active investor engagement.

We also continued our partnership with the Sustainability Accounting Standards Board (SASB), a San-Francisco based nonprofit organization that focuses on integrating ESG data into SEC-mandated corporate reporting such as 10Ks and annual reports.

CORPORATE MATCHING PROGRAM

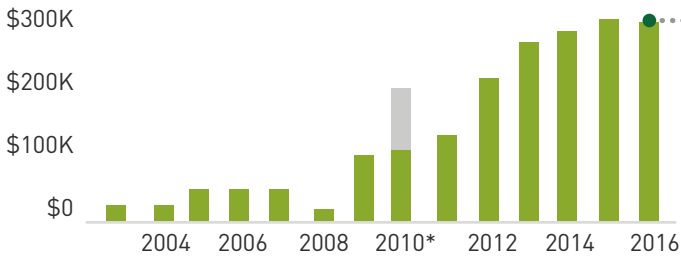
Our employees often participate in charitable giving and volunteering not only as part of our firm-wide efforts, but also as individuals.

To support these individual contributions, we offer a generous Matching Program, which aims to match monetary contributions as well as volunteer hours.

In 2016, we contributed \$16,377 on behalf of our employees through our Matching Program.

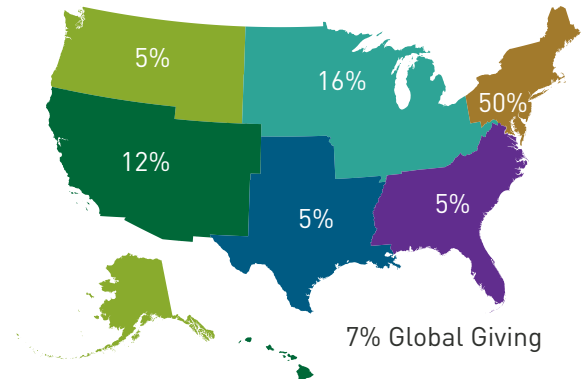
Our Community Outreach

CORPORATE PHILANTHROPY HISTORY

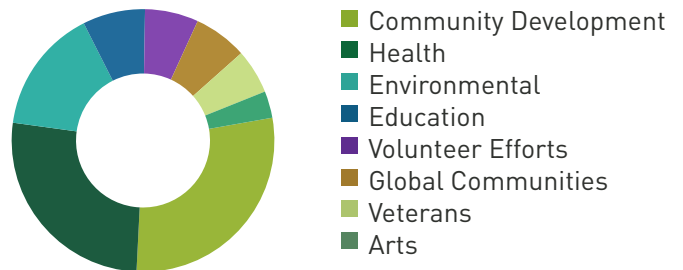


1% OF GROSS REVENUES WERE DONATED TO CHARITABLE CAUSES IN 2016

2016 CHARITABLE GIVING REGIONAL IMPACT

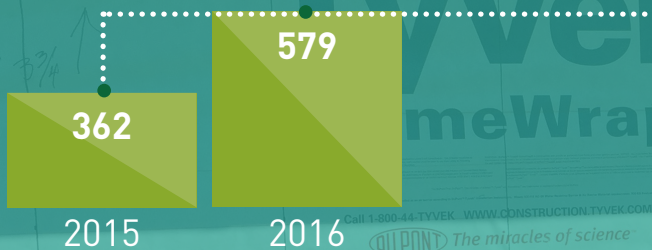


CHARITABLE CAUSES



By aligning monetary donations and volunteer opportunities with employee-selected charitable priorities, employees felt more **engaged** with espoused culture of philanthropy.

ABI INGALLS, CO-CHAIR
SOCIAL CHARITABLE COMMITTEE



60% Tyvek
INCREASE IN VOLUNTEER HOURS



FACING EVOLVING RISKS

At Breckinridge, we are committed to providing the highest caliber of fixed income management for clients. This commitment drives us to look critically at every aspect of our business operations and challenge ourselves to improve. We aim to invest sustainably and cultivate long-term growth; therefore, we must protect client assets from **information security risks** that could harm assets.

INFORMATION TECHNOLOGY PRIORITY

Over the years, we have placed significant resources into areas of focus such as identify theft prevention, network intrusion detection, data loss prevention and access control.

Just as our Investment Team strives to build portfolios that preserve capital and deliver reliable income, our Technology Team has not wavered from its dedication to strengthen our protocols and practices to safeguard the privacy of client transactions and information.

CHIEF TECHNOLOGY OFFICER

As part of our efforts, our Chief Technology Officer (CTO) focuses on the integration of strategic technology across the firm—particularly with respect to information security.

Our CTO leads an experienced team of software and systems engineers who translate strategic vision into solutions and controls.

OUR DATA SECURITY PROCESS

With the rapidly changing landscape of information security, we believe protecting and securing information requires constant assessment and feedback.

First, we look to widely recognized security frameworks, regulatory requirements and legal cases. Second, we use these standards and precedents to identify gaps in our environment and plan projects to address what we discover. Finally, we invite third-party experts to validate the actions we've taken.

As security frameworks are updated and new legal precedents are set, the process of assessment and remediation repeats. This cycle allows us to continuously measure and challenge ourselves.

Drawing from this process, we implement measures that not only align with our long-term business goals but also with our stakeholders' expectations.

ALIGNMENT WITH OUR MISSION

Information technology is a core part of the firm's culture. As a certified B Corp and a Benefit Corporation, we prioritize the success of all stakeholders. Information integrity and security is integral to the interests of our clients, employees and shareholders.

Our commitment to continue exploring technological advancements to improve the security and privacy of client data will be central to our ability to remain competitive and stakeholder-centric.

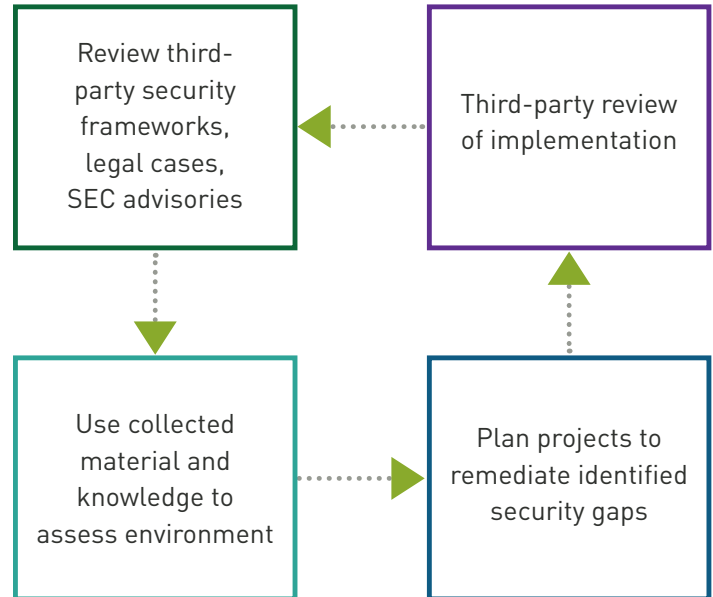
Information Security



My team's goal is to **exhaust** every opportunity we have to make things better. Anything we can do to make this business more successful, we will do that.

JESSE STARKS, CHIEF TECHNOLOGY OFFICER

INFORMATION SECURITY PROCESS



2016 ADVANCEMENTS

CATEGORY	BRECKINRIDGE ADVANCEMENT	VALUE/BENEFIT TO STAKEHOLDER
ENDPOINT PROTECTION	<ul style="list-style-type: none">Daily internal and external vulnerability scanning put into placeApplication whitelisting enacted to prevent execution of unwanted software	Regular surveillance and limiting applications helps guard against virus, malware, ransomware or other risks to client data.
ACCESS CONTROL	<ul style="list-style-type: none">Unnecessary network shares removedWorking with software vendors to implement role-based permissions	Controlling access helps to ensure data integrity and security.
AUTHENTICATION	<ul style="list-style-type: none">Restricted incoming traffic from designated countriesTwo-factor authentication required for external accessPassword lockouts enacted	Validating a user's right to access our network/systems protects against fraud and identity theft.
DATA LOSS PREVENTION	<ul style="list-style-type: none">Restricted access to internal email from outside the networkEnhanced web proxy capability, allowing firm to block websites and restrict uploads of information	Restricting external access can help protect data from leaving the firm in ways not expected.
SOCIAL ENGINEERING	<ul style="list-style-type: none">Email impersonation protection implementedLaunched security awareness program	Automated surveillance, along with education and training, helps us to detect potential identity theft incidents and prevent unauthorized transactions.
GOVERNANCE	<ul style="list-style-type: none">Independent third-party analysis of external framework implementation performed	Unbiased assessment and review of information security initiatives validates our efforts and highlights next areas of focus.

Closing Remarks

LOOKING TO THE FUTURE

Our commitment to sustainability is a key business priority for us, informing our most important strategic decisions. As we think about the future, we see significant potential to further advance our sustainability efforts, both from the investment as well as from the business perspective.

We embrace a long-term time horizon not only in our investment decisions on behalf of our clients, but also in our own business decisions. This means that we are able to dedicate our resources to innovative projects and initiatives that advance our business objectives and our sustainability priorities over the long term.

These types of win-wins are at the core of our strategic vision moving forward. In the near term, we see three key areas of opportunity in advancing our sustainability initiatives.

First, we will continue to innovate in order to maintain our position as one of the pioneers in sustainable fixed income investing. By continuing to refine our ESG integration process and our customization methodologies, we aim to stay at the forefront of a highly dynamic, ever-evolving ecosystem.

Second, we aim to expand our impact on behalf of our clients. This includes continuing to refine our issuer engagement efforts as well as our recently launched impact reporting. We recognize that our clients are increasingly concerned about the impact of their investments, and we are ready to address their needs.

Third, a deep commitment to sustainability is at the core of our culture, helping us attract and retain the best and the brightest professionals who are eager to contribute to an organization with a strong sense of purpose. We aim to continue to enhance the breadth and depth of our corporate sustainability efforts.

While we live in uncertain times, we believe that our commitment to sustainability has never been more relevant, important or urgent. This sense of urgency emboldens us to **embrace our sustainability imperative.**

As an innovator, we travel on a long and winding road, and we cherish this journey just as much as we eagerly anticipate the future into which it will lead us.

We look forward to continuing to share our journey with our clients and all of our stakeholders.



We are convinced that
our most important work
in driving sustainability
is **yet to come.**



BRECKINRIDGE CAPITAL ADVISORS

125 High Street, Boston, MA 02110
617-443-0779 | info@breckinridge.com
www.breckinridge.com