



ESG and Responsible Investment Philosophy

Purpose and Scope

Advent Capital Management's primary objective is to help our clients achieve their long-term financial goals through a thoughtful, disciplined, and responsible approach to managing investments. Consistent with that mission, we believe we have an obligation to understand the long-term sustainability and success of a company's business model and the factors that could cause it to change.

Our Approach to ESG and Responsible Investment

Our approach aims to incorporate environmental, social, and governance (ESG) considerations into our investment process. This is contemplated alongside various other factors evaluated within Advent's investment decision-making process. We acknowledge that incorporating ESG considerations provides greater insight into areas of potential opportunity and risk that could impact the value, performance, and reputation of the investments we make on behalf of our clients.

Investment Analysis and Decision Making

As a responsible investor, we are not prohibited from investing in any specific sector or company. However, as fundamental research is at Advent's core, we apply an objective set of criteria to evaluate the merits and efficacy of all investment strategies, including detailed credit analysis, which incorporates certain ESG criteria.

Incorporating Meaningful Investor Values

We recognize that investors may have other motivations for ESG investing, including upholding ethical standards or promoting ESG accountability of companies that generally benefit society. We tailor specific solutions, for a variety of client types, to meet individual needs and requirements.

Advent's ESG Commitment

In applying our ESG philosophy, Advent has adopted the following guiding principles:

- Advent will embrace research and education of ESG criteria in pursuit of our continuous commitment to understanding the opportunities and risks to each of our clients and investment strategies.
- Advent will give equal consideration to ESG investment opportunities and transact where we believe the investment will enhance the portfolio's risk and portfolio return characteristics.
- Advent will work closely with clients to implement tailored solutions that reflect their unique and specific views on social, environmental, and corporate governance issues.
- Advent is committed to sharing our progress on ESG integration at the request of our clients and other stakeholders.

Monitoring and Review

This philosophy and our ongoing objectives, aspirations and business strategy related to ESG integration is reviewed regularly to ensure ongoing alignment between our corporate objectives, client requirements, and future regulation.