

A photograph of the Aurora Borealis (Northern Lights) in shades of green and purple, dancing over a dark mountain range under a starry night sky. The aurora is the most prominent feature, with bright green curtains of light. The mountains are silhouetted against the dark sky, and the overall scene is serene and majestic.

RESPONSIBLE SUSTAINABLE ACTIONABLE

2023 SUSTAINABILITY REPORT

WARBURGPINCUS



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This report contains forward-looking statements and actual results may differ. Numbers and percentages in this report include estimates or approximations and may be based on assumptions.



Introduction

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Insilico
Investment made June 2021



A MESSAGE FROM OUR CEO

DEAR LIMITED PARTNERS AND OTHER STAKEHOLDERS,

There is little doubt that the current economic environment is unlike any other that we have experienced over the past 40 years. From rising inflation and higher interest rates, to complicated great-power politics and a greater attention to energy security amidst a low carbon energy transition – the global economy is navigating a unique set of challenges that have a deep impact on businesses and the communities where they operate.

That challenging backdrop reinforces our conviction around the importance of our sustainability strategy, including the integration of environmental, social, and governance (ESG) issues into our calibration of risks and opportunities as we invest across different sectors and regions of the world. As responsible investors, we take a broad view on the factors that make an investment more resilient, sustainable, and valuable. We view ESG factors – those that are material to each business – as a lens alongside other financial and business factors to help us evaluate, manage, and monetize our investments. We believe that this orientation has helped drive value for our investors and is increasingly important in light of the more acute impacts of climate change across the globe.

In the past year, we have enhanced our efforts to build tangible tools for our

investment professionals and portfolio companies through our growing Value Creation team. We continue to engage with companies across the portfolio to support their implementation of initiatives that drive value, in ways that are responsible, sustainable, and actionable for their individual business, sector, and region. In addition, we have built and implemented tools to support measurement to evaluate progress on topics like greenhouse gas emissions, cybersecurity, and diversity and inclusion. We have also taken a more active role in industry collaborations. This year, I was proud to sponsor a working group of our industry peers to explore the use of sustainability-focused metrics through the Sustainable Markets Initiative Private Equity Task Force (PESMIT).

Thank you for your interest in our firm's efforts to drive value in our investments in a responsible way. We are enthusiastic about continuously improving our efforts and welcome your feedback as our strategy continues to evolve.



CHIP KAYE
Chief Executive Officer

We take a broad view on the factors that make an investment more resilient, sustainable, and valuable.



A SNAPSHOT OF THIS YEAR'S PROGRESS

Our sustainability strategy continues to be integrated into our firm strategy and operations and within our portfolio companies' actions. From July 2022 through June 2023, we improved upon and expanded our efforts at the firm and in support of our portfolio companies in the ways shown here.

1

STRENGTHENED INFRASTRUCTURE ACROSS OUR FIRM

- Increased capacity-building for internal teams across functions
- Enhanced resources for investment teams on value creation through a sustainability lens
- Supported portfolio action through data-driven insights and education

2

ACTIVELY CONTRIBUTED TO OUR INDUSTRY PARTNERSHIPS

- Led collaboration to produce an industry white paper on ESG metrics through the Sustainable Markets Initiative
- Partnered with industry peers on broad-based employee ownership programs through Ownership Works

3

FURTHERED OUR CLIMATE STRATEGY

- Piloted scenario analysis for a subset of our portfolio to evaluate potential exposure and impacts from physical climate risks
- Launched a Greenhouse Gas (GHG) Emissions Tool as part of our ESG Toolkit

4

AMPLIFIED OUR DE&I EFFORTS

- Expanded our firm-level employee resource groups
- Engaged with portfolio company human capital and procurement leaders on DE&I and supplier diversity

5

BROADENED OUR CORPORATE CITIZENSHIP

- Added new programming incentives to increase volunteering and philanthropic engagement at the firm



Warburg Pincus Overview

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Apollo Tyres
Investment made June 2019



PROGRESS THROUGH ACTION

Warburg Pincus is a leading global growth investor. Our goal is to create larger, durable, thriving businesses through long-term investments. Our active portfolio of 250+ companies is highly diversified by stage, sector, and geography. We have partnered with management teams for over 55 years, enabling our partners to shape their own pathways to success. We believe our approach not only creates value for our limited partners and portfolio companies, but also results in stronger businesses, more organic job growth, and, in turn, more stable economies and communities.

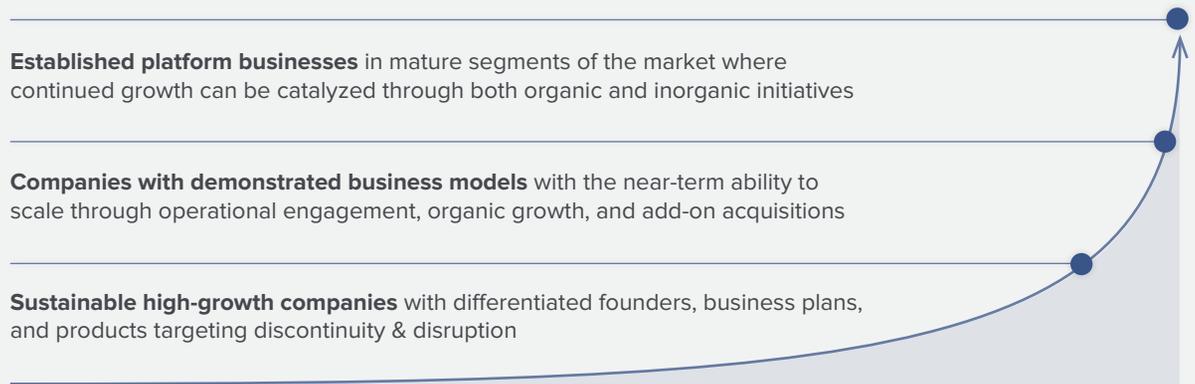
OUR “GROWTH MINDSET” –

Investing in both incumbents and innovators that can grow profitably over time and sustain value through volatile conditions. We pursue:

Established platform businesses in mature segments of the market where continued growth can be catalyzed through both organic and inorganic initiatives

Companies with demonstrated business models with the near-term ability to scale through operational engagement, organic growth, and add-on acquisitions

Sustainable high-growth companies with differentiated founders, business plans, and products targeting discontinuity & disruption



2023 by the numbers

\$83B+
in AUM¹

We have invested over \$112 billion since the firm's inception.

14
Global Offices

Our global network of professionals works collectively across geographies and sectors to help ensure that the right people with the right experience are available to every entrepreneur and every business.

1,000+
Companies

We have partnered with companies in more than 40 countries, along the spectrum of maturity from startup to late stage.

55+
Years

Founded in 1966, we are one of the longest-tenured growth investors in the world.

¹ As of June 30, 2023. AUM includes uncalled capital.

LEVERAGING OUR NETWORK AND EXPERTISE TO SUPPORT OUR PORTFOLIO COMPANIES' GROWTH

Warburg Pincus applies a thesis-driven approach to a diverse portfolio. We invest in businesses at all stages of development, from founding start-ups and supporting growth in new and developing companies, to leading complex recapitalizations of large-scale buy-outs of more mature businesses. We aim to provide our partners with supportive resources and tools that help them navigate and grow along the way.

Our investing professionals are organized into sector groups and possess deep domain expertise, which includes an understanding of their sector's specific products, services, technologies, and market trends. We believe this extensive sector knowledge, tailored to the local context as well as global trends, distinguishes Warburg Pincus as a preferred partner for executives and entrepreneurs.



¹ Warburg Pincus' investment approach is presented for illustrative purposes only and may vary.

CONTINUALLY STRIVING FOR THE HIGHEST LEVEL OF INTEGRITY AND ETHICAL STANDARDS

Warburg Pincus has a rigorous Code of Ethics, Compliance Manual, and Personal Trading Policy, as well as an Oversight Committee that assists with internal policies and procedures relating to compliance matters. Our governance practices include:

- **Conducting annual training programs and testing to help ensure that all employees fully comply with our Code of Ethics and other firm policies, including policies relating to compliance with anti-bribery regulations**
- **Investing our own capital alongside our investors**
- **Not taking any deal, advisory, board, or monitoring fees¹**
- **Holding seats on the boards of the vast majority of our portfolio companies and encouraging best practices in their corporate governance**

We believe effective governance is essential to growth and success. That’s why we make available frameworks and processes to our portfolio companies as needed, which they can adapt to their own operations and cultures.

¹ Any such fees received by Warburg Pincus or its employees are credited to the respective fund as a 100% offset to management fees.

We are all responsible for the firm’s corporate governance practices. We work with every employee, regardless of seniority or job function, to help ensure that our governance standards are understood and followed.

– **Doug Madden,**
Managing Director, Chief Compliance Officer

WARBURGPINCUS
Code of Ethics — Key Takeaways

- 1** Act in the best interest of our funds and fund investors
- 2** Avoid personal conflicts of interest
- 3** Appropriately use our position of trust
- 4** Protect and prevent the misuse of non-public information that we possess



Our Sustainability Strategy

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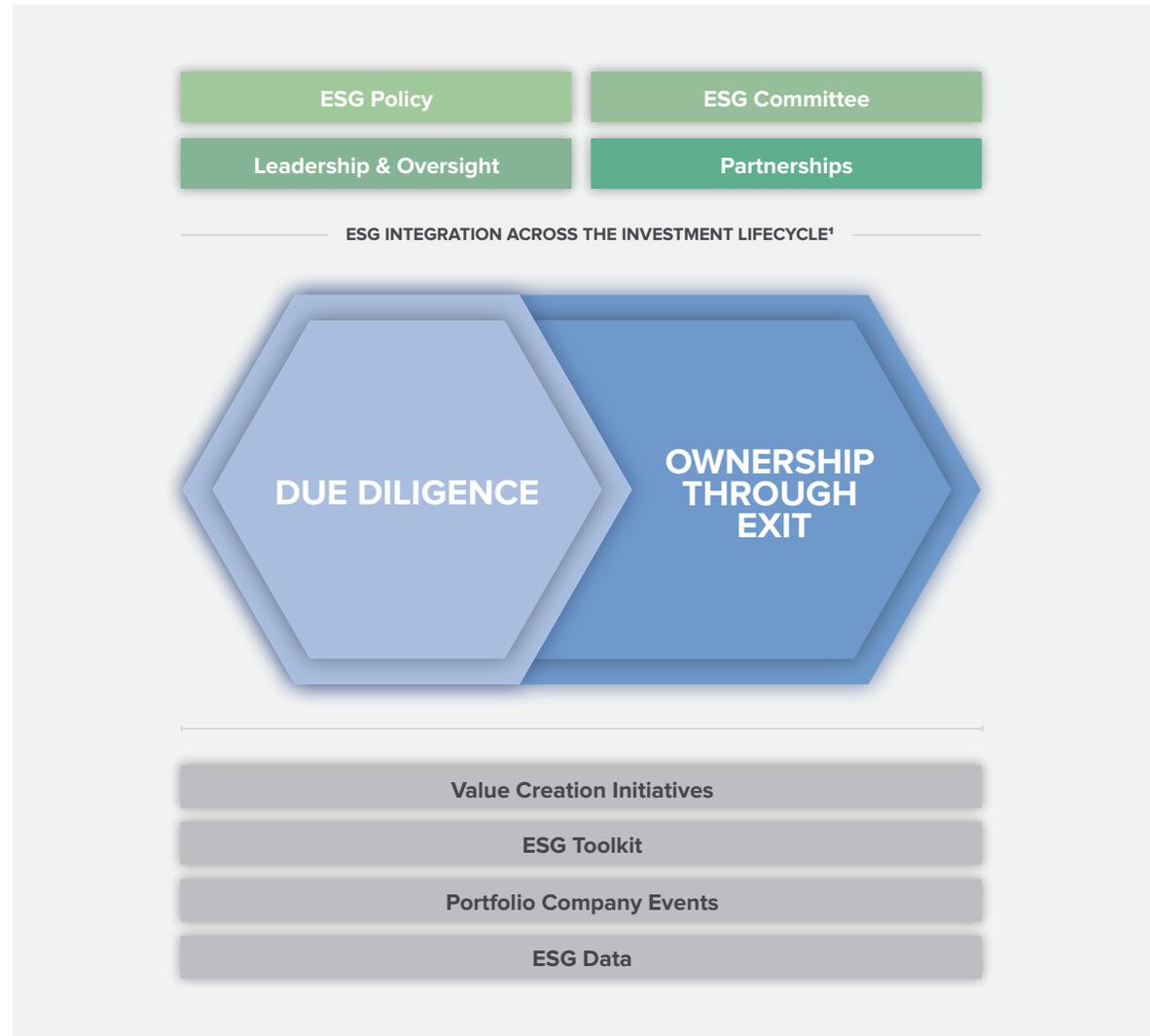
Community Fibre
Investment made August 2020



ENHANCING RISK MANAGEMENT AND VALUE CREATION

Warburg Pincus is committed to responsible investing and formalized an ESG program in 2014. We believe the integration of ESG factors, alongside other financial and business levers, can provide a broader perspective for evaluating risks and opportunities for our potential investments. In addition, we believe the growing focus on sustainability among the customers, employees, and communities of our portfolio companies presents opportunity for value creation.

To support our deal teams and portfolio companies, we provide a set of robust internal policies and best practices, ESG expertise, and senior-level oversight to set the overall strategy and help integrate ESG into the investment lifecycle. We believe our commitment to responsible investing enables us to partner with organizations to help accelerate sustainability, and we strive to continually evolve our program as the attention to and scope of ESG continues to develop.



¹ Warburg Pincus' investment approach is presented for illustrative purposes only and may vary. See Endnote A on Page 55 for important disclosures relating to Warburg Pincus' sustainability strategy and ESG program.



WARBURG PINCUS ESG POLICY

As part of our sustainability strategy and ESG program, our ESG Policy outlines our firm-wide approach to integrating ESG in our business and investment activities and is reviewed on an annual basis.¹ Key themes include:

- Alignment with the United Nations-supported Principles for Responsible Investment (UNPRI)
- Participation across a variety of responsible investment industry groups to scale our reach
- Use of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations as a guide in informing our climate strategy
- ESG roles and responsibilities across the organization
- Range of potential “E,” “S,” and “G” categories to consider in investments as material² to a deal – seeking to leverage standards and recommendations such as the standards of the IFRS Sustainability Alliance (formerly known as SASB Alliance), the TCFD recommendations, and certain recommendations related to DE&I

¹ Last updated August 2023. Warburg Pincus’ investment approach is presented for illustrative purposes only and may vary.

² See Endnote B on Page 55 for important disclosures regarding use of the term “materiality.”

[→ Read Warburg Pincus’ ESG Policy \(Unabridged\)](#)

EXAMPLE AREAS OF FOCUS

E

- Climate risks and opportunities
- Use of natural resources and raw materials
- Pollution control, waste, and recycling
- Biodiversity impacts

S

- Human rights, including child or forced labor
- Workforce wellbeing, employee health and safety, and employee engagement
- Diversity, equity, and inclusion
- Quality and access to goods/services

G

- Corporate governance
- Management of legal and regulatory environment
- Corporate behavior
- Data security and privacy
- Supply chain management

STRATEGY DEVELOPMENT & GOVERNANCE

Warburg Pincus' ESG Committee informs the firm's strategic approach to ESG issues, including setting ESG priorities and engaging the firm's investment teams to promote its sustainability strategy. The Committee of over 20 professionals is comprised of investing partners and principals representing the sectors and geographies in which we invest, as well as senior executives from key support functions. The Committee meets quarterly to discuss ESG activities at both the firm and portfolio level.

In addition, the firm has working groups that specifically focus on important ESG issues, including reputational and policy risks, climate, data, and broad-based employee ownership. These groups encourage employee participation and comprise a broader group of colleagues across our organization, who are actively involved in progressing our ESG objectives.



Our ESG Committee leverages a diversity of insights across its members which represent senior investment and operating leaders from around the globe. This helps enable us to scale our global ESG efforts, while adapting to a local context.

– **Steven Glenn**,
CFO & COO,
ESG Committee Member

Our ESG Committee by the Numbers¹

23

Total Members

17

Managing Directors

6

Regions Represented

5

Members of the Executive Leadership Team

9

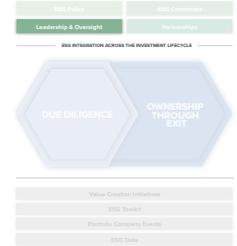
Key Support Functions

8

Sectors Represented

¹ As of Q2 2023

INCORPORATION WITHIN OUR ORGANIZATIONAL STRUCTURE



Our commitment to and value of environmental sustainability, social responsibility, and corporate governance are present in everyday practices across our organization and are deeply interwoven throughout our network. The Sustainability Strategy team, part of our Global Policy and Political Risk group, reports directly into our Executive Leadership team through Steven Glenn, our Chief Operating Officer and Chief Financial Officer. It is also one of seven function areas that partner with our investment teams and portfolio companies to provide strategic support and operational excellence.



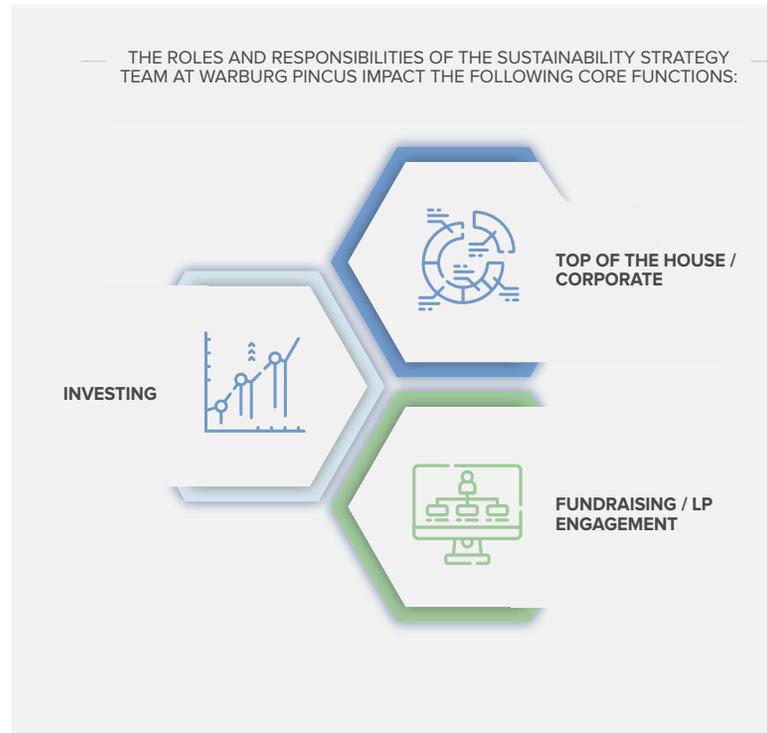
RICHARD L. "JAKE" SIEWERT, JR.

*Managing Director,
Head of Global Public
Policy and Political Risk*



LEELA RAMNATH

*Senior Vice President,
Head of Sustainability Strategy*



TRAINING

Warburg Pincus seeks to support our investment professionals in their understanding and assessment of ESG-related issues through a variety of activities. For instance, the firm periodically provides teach-ins, training sessions, and updates on our sustainability strategy. We provide a dedicated session during new hire training and discuss market trends at sector group meetings. The firm's ESG Committee Members also serve as ESG champions in their respective functional groups and facilitate the implementation of best practices.

The Sustainability Strategy team supports investing colleagues to broaden their aperture on risks and value creation opportunities – while engaging key stakeholders on our responsible investment practices.

– **Leela Ramnath,**
*Senior Vice President,
Head of Sustainability Strategy*



BUILDING AN EXTERNAL SUPPORT NETWORK TO STRENGTHEN OUR PRACTICE

We actively engage, collaborate, and partner with organizations and policy experts, to enhance our expertise and deepen our commitment to sustainability:



The Principles for Responsible Investment (PRI): A signatory of The PRI, a United Nations-supported network of investors, asset owners, and service providers working to promote a more sustainable global financial system.



ILPA Diversity in Action: A signatory of ILPA Diversity in Action, an initiative that brings together limited partners and general partners who share a commitment to advancing diversity, equity, and inclusion in the private equity industry.

For more on board-level DE&I partnerships see → [Page 21](#) and firm-level DE&I partnerships see → [Page 47](#).

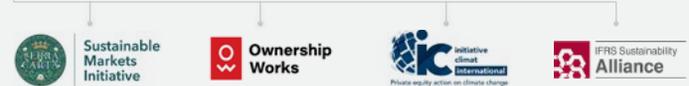
SMI SPOTLIGHT

- We are proud to be part of The Sustainable Markets Initiative (SMI) Private Equity Task Force¹, a group of leading private equity firms identifying ways that the industry can accelerate progress towards a more sustainable future.
- Warburg Pincus led a working group to produce industry thought leadership focused on the use of ESG metrics in investment analysis and portfolio company management in private equity to seek value creation. Our CEO, Chip Kaye, has been a member of the Private Equity Task Force since its launch in 2021.

Download the paper



Membership in and partnerships with leading ESG organizations provide important subject matter expertise on sustainability-related standards, frameworks, and trends.



Founding membership and leadership positions in venture capital and private equity industry networks give us further access to effective ESG strategies as well as the opportunity to help shape the conversation.



Collaboration with think tanks and nonprofits provide important foreign policy contexts for operating businesses globally.



Third-party logos herein are for illustrative purposes and do not imply an endorsement by such organizations.

¹ Please see the Cautionary Statement on Page 56 for important disclosures regarding Warburg Pincus' participation in the Sustainable Markets Initiative.

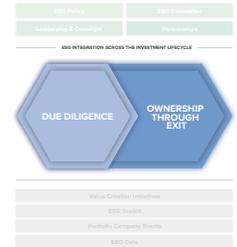
INTEGRATING ESG INTO THE INVESTMENT LIFECYCLE

At Warburg Pincus, we seek to incorporate ESG factors alongside other financial business factors into our investment lifecycle, as a potential avenue for mitigating risk and enhancing value. When considering an investment, ESG factors are included as we deem appropriate into the criteria we use to diligence a company as further described in our ESG Policy.

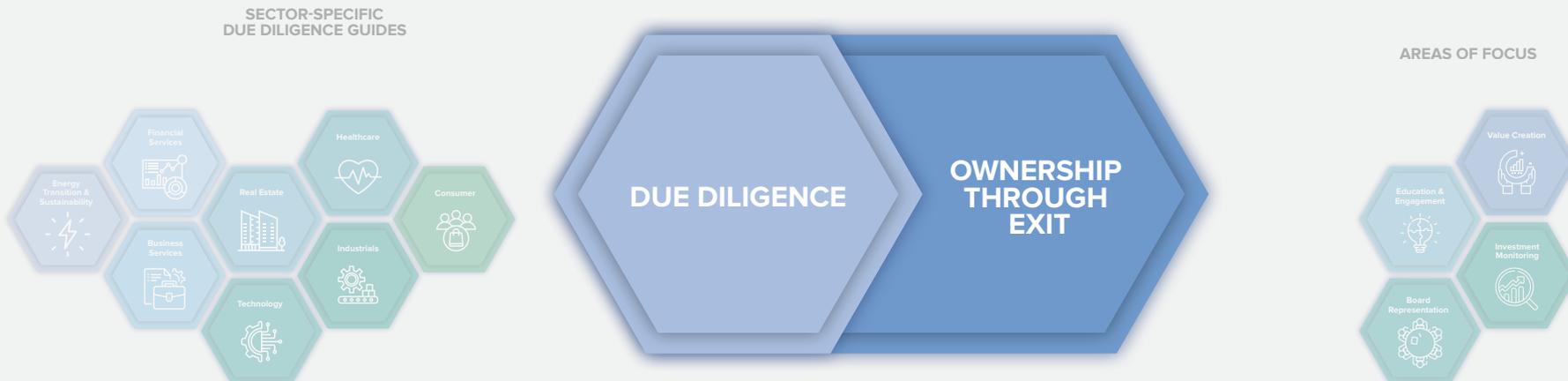
Upon investment, we provide access to a range of resources for our portfolio companies to support their efforts of integrating ESG best practices, as appropriate. We also seek to enhance ESG practices through our portfolio company board seats. With increasingly more emphasis on strong ESG profiles in both private and public markets, we are seeing more portfolio companies focused on ESG efforts upon exit.

Our commitment to building sustainable businesses is important to our investment process in all parts of the globe. We seek to incorporate ESG considerations throughout the entire investment lifecycle, which often leads to innovative ideas and new opportunities.

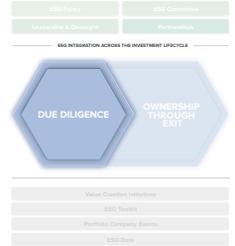
– David Reis,
Managing Director, Industrial & Business Services,
ESG Committee Member



ESG INTEGRATION ACROSS THE INVESTMENT LIFECYCLE



DUE DILIGENCE



Identification of Material ESG Risks

We believe the widening landscape of ESG issues requires a perspective on past, current, and potential future areas of operational, regulatory, and reputational risks. We aim to utilize our internal ESG due diligence guides as well as external partners, such as the IFRS Sustainability Alliance (formerly known as SASB Alliance) and others, to inform our understanding of ESG risks relevant to each industry. We hold training sessions across our investment teams globally when introducing enhanced ESG frameworks.

Due Diligence ESG Support

Certain investment opportunities involve relatively higher levels of ESG risk due to industry sector, location, reputational concerns, or other factors — including health and safety, human rights, and environmental factors — and increasingly, climate risks. For those opportunities, we believe a deeper level of both local and sector expertise is needed. Our deal teams, working alongside our Sustainability Strategy team, regularly engage external experts during the due diligence process to perform a deep-dive on specific ESG considerations, as needed, to help better understand the full picture of ESG risks and/or opportunities.

Inclusion of ESG Section in the Investment Memo

As our program has matured, deal teams include an ESG section in investment memos in order to document findings and illustrate a complete view of an investment's risks and opportunities.

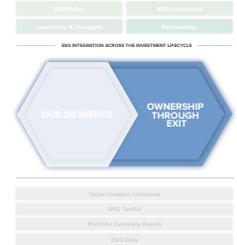
Sourcing Investment Opportunities that Benefit from ESG Tailwinds

Our deal teams monitor market trends that may offer investment opportunities that benefit from ESG tailwinds. Please see → [Page 41](#) for investments with positive outcomes.

We have developed sector-specific guides (based on SASB materiality frameworks and training materials to support this) and seek to prepare investment professionals to identify material ESG considerations relevant to a potential investment.

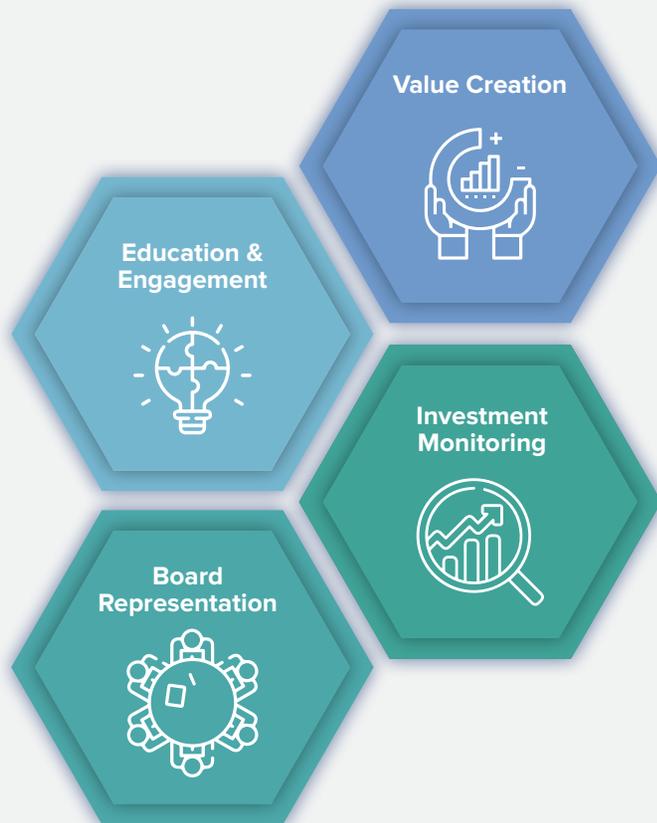
SECTOR-SPECIFIC DUE DILIGENCE GUIDES





OWNERSHIP THROUGH EXIT

AREAS OF FOCUS



Value Creation

We believe that ESG considerations are an important aspect of value creation across our portfolio. Value Creation is our portfolio company CEO-led process to engage, align, develop, and prioritize initiatives with our portfolio management teams. Our Sustainability Strategy team, alongside our other Value Creation team resources, often works with portfolio company management teams to identify potential areas for the development of their ESG-related practices.

Education and Engagement

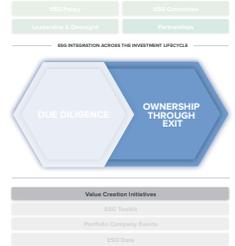
Our Sustainability Strategy team works directly with portfolio company management teams to help educate them on emerging ESG topics. We continue to develop a toolkit of resources, including advising on a one-on-one basis, those companies wishing to further develop efforts, channeling external resources when needed. We seek to provide support to portfolio companies, as needed, wherever they are on their sustainability journeys.

Investment Monitoring through ESG Data

Warburg Pincus collects data on several topics from our portfolio companies as a way to monitor and engage with them on ESG issues and practices. As our portfolio scales, we also use technology tools to monitor potential portfolio company reputational risk events. Where relevant, our Sustainability Strategy, Legal, and Communications teams partner with deal teams to support management of ESG risks.

Board Representation

Deal teams usually hold seats on the boards of our portfolio investments and are available to help address ESG issues as they arise.

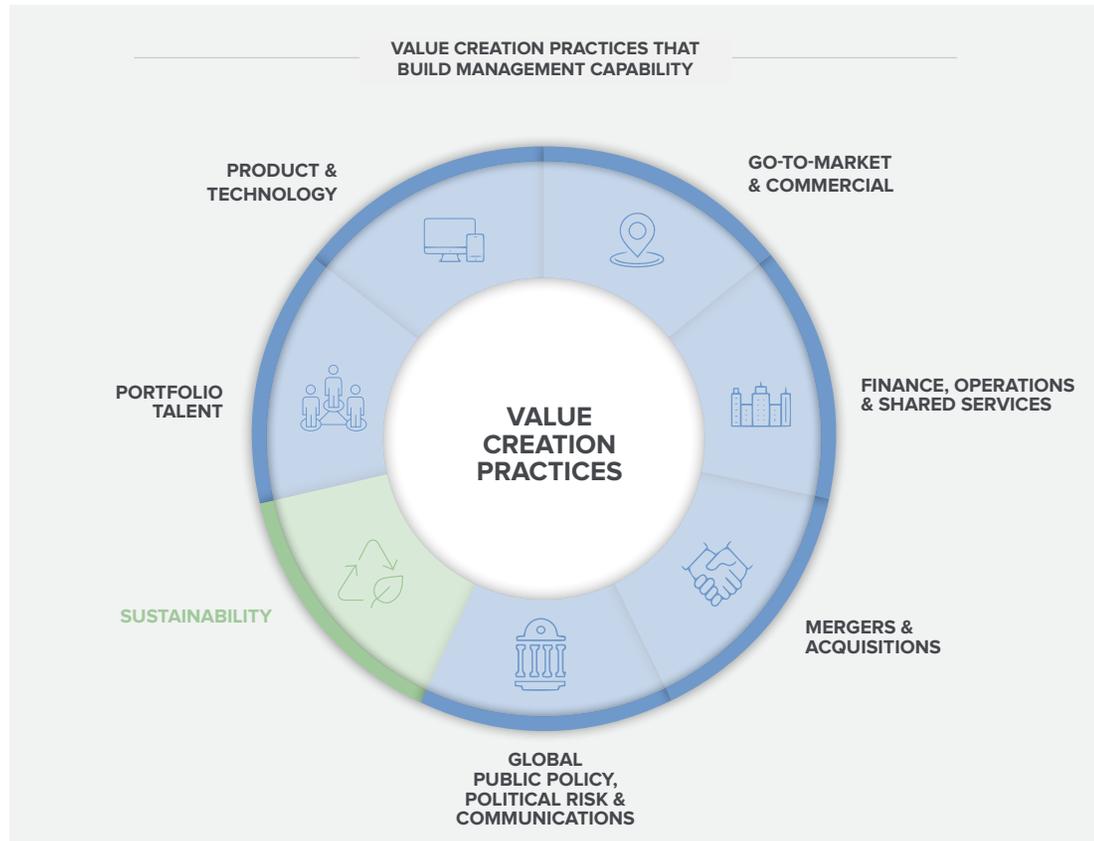


VALUE CREATION

Value Creation (VC) is our portfolio company CEO-led process to engage, align, and prioritize initiatives with our portfolio management teams, and guide CEOs to achieve their respective visions. Leveraging intellectual capital, operational resources, and financial strength, we work to address the individual needs of our portfolio companies so they can build sustainable businesses. Examples of VC workstreams and expertise include business process optimization, managed services offerings, and go-to-market optimization. ESG considerations are an increasingly important aspect of these conversations. Consistent with our culture of alignment with investors and management partners, the services provided by Warburg Pincus employees are offered without charge to portfolio companies.

We seek to leverage decades of operational experience to deliver ongoing support to portfolio companies around the world. Our operating advisors partner with our management teams and work alongside them to achieve their top growth priorities.

– **Deborah Kerr,**
Managing Director,
Co-Head of Value Creation



WARBURG PINCUS' APPROACH

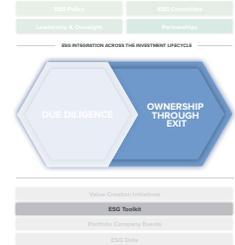
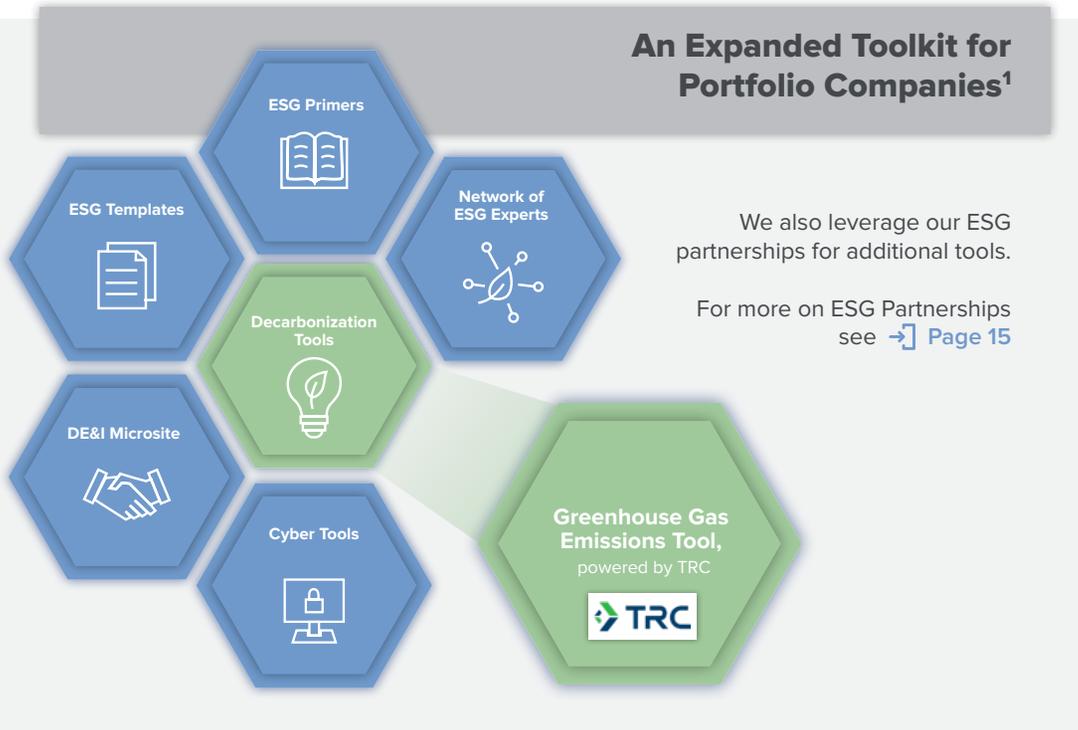
- **Functional expertise:** Many of our operating partners are former practicing C-level executives across their relevant functions
- **Partnership approach:** Our engagement is CEO-sponsored and focuses on custom, one-on-one advisory and executive development
- **Curated Community:** Our Warburg Pincus Connect program creates a network of C-Level executives through in-person and virtual events focused on best practice sharing, training, and skill development
- **Investments in Resources:** We have cultivated a network of third-party experts and advisors across functional domains

EMPOWERING OUR PORTFOLIO COMPANIES WITH OUR GROWING ESG TOOLKIT

To help our portfolio companies create effective and lasting sustainability programs, we aim to work collaboratively with their leadership to meet them wherever they are in their respective journeys. We strive to promote best practices, providing resources and support that best fit our portfolio companies' overall strategy, culture, and business operations.

SUSTAINABILITY STRATEGY AND ESG REPORTING

Based on our experience, portfolio company stakeholders – such as customers, supply chain partners, lenders, and regulators – are increasingly focused on ESG. To support our portfolio, Warburg Pincus has a growing **ESG Toolkit** to help portfolio companies understand how to design and report on meaningful sustainability strategies that align with their business goals. This year, we partnered with TRC, a Warburg Pincus portfolio company, to offer a GHG Emissions Tool as part of our ESG Toolkit to help companies calculate their Scope 1, Scope 2, and Scope 3 GHG emissions.



Many of our portfolio companies report on their ESG efforts in ways that are meaningful to their constituents. While Warburg Pincus is available to serve in an advisory capacity if needed, the publications are independently developed and produced by the portfolio companies.

[↗](#) Click on the report covers to read about each portfolio company's ESG work.

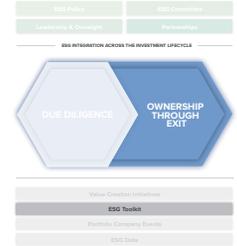


¹ See Endnote E on Page 55 for important disclosures regarding the SFDR and Warburg Pincus' sustainability strategy and ESG program.



DIVERSITY, EQUITY, AND INCLUSION (DE&I) RESOURCES

We believe that diversity, in the context of an equitable and inclusive corporate culture, can bring an array of perspectives and insights to corporate decision-making, resulting in an environment in which colleagues thrive and material value is added to the firm. Our Sustainability Strategy team, in partnership with our Council for DE&I and Leadership Development/Organizational Effectiveness and Shared Services teams, has developed resources to support DE&I initiatives within the firm and at our portfolio companies.



PORTFOLIO COMPANY BOARD AND MANAGEMENT DIVERSITY

Warburg Pincus' in-house talent team focuses on key executive portfolio recruitment activities and is dedicated to helping increase gender, racial, ethnic, and sexual orientation diversity across our portfolio companies. We work in conjunction with our executive search partners and encourage highly diverse slates for all portfolio company executive roles. We aim to ensure equal access to opportunities across our management teams and portfolio company boards. Additionally, Warburg Pincus partners with the following third-party organizations to further our commitment to DE&I and seek to increase representation across our portfolio companies:



Latino Corporate Directors Association (LCDA) is a community of U.S. Latino corporate leaders with the mission to develop, support, and increase their representation on corporate boards.



Him For Her is a social impact venture aimed at accelerating gender diversity on corporate boards. To bridge the network gap responsible for the sparsity of women in the boardroom, Him For Her engages business luminaries to connect the world's most talented "Hers" to board service.



Above Board is an inclusive platform for executive hiring that connects a diverse community of candidates directly to opportunities at leading companies.

DE&I MICROSITE FOR PORTFOLIO COMPANIES

In 2021, Warburg Pincus launched an online resource hub for portfolio company talent leaders to access best practices, templates, trainings, and other resources in order to develop and evolve their respective diversity programs.

For more on firm-level DE&I partnerships, see [→ Page 47](#)



Third-party logos herein are for illustrative purposes and do not imply an endorsement by such organizations.



SUPPLIER DIVERSITY PROGRAM

We recognize the scalable impact that procurement spend can have on environmental and social outcomes. For many years, we have sought to support our portfolio companies on their journey in learning about, developing, and executing on supplier diversity programs.

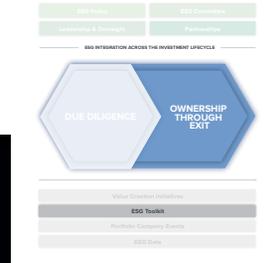
The resources we developed to support supplier diversity at both the firm and portfolio level include:

- Supplier diversity and procurement guides that outline best practices in establishing a substantive and sustainable supplier diversity program aligned with a company's strategic objectives
- Data enrichment to provide further visibility of portfolio company spend with diverse suppliers
- Database tools and networks to source diverse suppliers
- Opportunities to learn from other members of the portfolio on supplier diversity best practices and success stories

Supplier Diversity is important to our business, our customers, and our employees – and Warburg Pincus helps to provide us visibility and resources that support our diverse spending goals.¹

– **Venkatesh Tamraparni,**
Senior Director, Infoblox,
Head of Global Procurement & Strategic Sourcing

¹ See Endnote H on Page 55 for important disclosures regarding endorsements.



Cybersecurity attacks continue to grow in frequency and severity. Being prepared and having a plan in place is critical. At Warburg Pincus, we work hand-in-hand with our portfolio companies to build effective and robust cybersecurity programs to mitigate risk for clients they serve as well as the broader industry.

– **Benny Melumad,**
Managing Director,
Digital Strategy & Innovation

CYBERSECURITY

We believe cyber risk is one of the most immediate threats that organizations may face today, as it has become much more than a technology issue. Cyber attacks and their implications for data security and privacy, intellectual property, and business continuity can be material ESG risks, particularly for companies using personally identifiable information (PII) and protected health information (PHI). During due diligence, Warburg Pincus seeks to assess cybersecurity and data privacy issues, as it deems appropriate, with consideration toward materiality. During ownership, Warburg Pincus aims to use its resources to help portfolio companies analyze how their technology systems and business processes interplay with their financial and operations systems and help ensure they are appropriately positioned to securely deliver on their Key Performance Indicators and business plans.

At Warburg Pincus, we have created a cybersecurity framework based on the Center for Internet Security (CIS) standards. The Warburg Pincus framework provides pragmatic recommendations and covers different areas such as governance and management oversight, access control, wire fraud, and supply chain management.

Cybersecurity-focused companies currently in our portfolio such as Aura, BitSight, eSentire, and Infoblox also provide support to companies on various aspects of this issue, including to our portfolio companies.

ADDITIONAL RESOURCES WE PROVIDE:

- Training from our firm for current and future board members of our portfolio companies
- Memorandum on qualities of a well-functioning corporate board of directors and how a board can best work with management on key issues
- Resources for effective corporate governance geared to early-stage U.S. portfolio companies with guidance on timelines and program development
- Other guidance on:
 1. Anti-bribery and anti-corruption laws
 2. U.S. sanctions and export control laws and regulations
 3. Workplace values
 4. Sexual harassment policies
 5. Business continuity and crisis management



BEST PRACTICE SHARING AMONG PORTFOLIO COMPANIES

We host events and discussions for our portfolio companies on ESG-specific issues to promote connectivity and sharing of ESG best practices among leaders of our portfolio companies. During these gatherings, our Sustainability Strategy team and other members of our Value Creation team typically update senior portfolio company executives on the latest trends in responsible business and sustainability.

In the last year, we hosted in-person and virtual events addressing a wide variety of sustainability-related topics for our portfolio company executives, in collaboration with leading experts. Highlights include:

ESG AND CLIMATE INSIGHTS

- In March 2023, Warburg Pincus hosted a thought leadership session entitled “ESG Insights: What to Expect in 2023” in partnership with portfolio companies Assent, ClimeCo, and TRC. Over 60 U.S. portfolio companies joined – topics included the importance of ESG data/reporting, quality considerations in the carbon offset market, and ESG risks in supply chains.
- In January 2023, Warburg Pincus hosted an ESG training for finance leaders across the portfolio on topics including defining ESG materiality, navigating ESG regulations/disclosures, and sharing value creation opportunities through ESG.
- In August 2022, Warburg Pincus hosted an in-person ESG workshop in China, with 60+ portfolio company representatives attending from Beijing and Shanghai, and many more participating online.
- In 2022-2023, Warburg Pincus hosted 8+ teach-ins focused on ESG data for portfolio company CFOs and ESG leads across the U.S., Europe, China, India, and Brazil. This included a deep dive on calculating Scope 1, Scope 2, and Scope 3 GHG emissions. For more on our ESG data efforts see [→ Page 26](#).



The ESG workshop organized by Warburg Pincus has helped enhance our understanding of ESG, provide guidance for practical implementation, and connect us with experts in the field. All of these efforts have empowered us to carry out our ESG strategy more effectively and efficiently.¹

– **Yanyu Liu,**
Director of Marketing,
Geek+

¹ See Endnote H on page 55 for important disclosures regarding endorsements.





BEST PRACTICE SHARING AMONG PORTFOLIO COMPANIES

CONTINUED

ADVANCING DIVERSITY, EQUITY, AND INCLUSION

- In November 2022, Warburg Pincus hosted a teach-in directed at 50+ senior procurement executives at our portfolio companies to provide guidance on enhancing supplier diversity and expanding economic opportunity to businesses owned by underrepresented groups, as part of our Supplier Diversity Program.
- In July 2022, Warburg Pincus hosted a teach-in to provide guidance on “Building an Effective DE&I Strategy.” 50+ U.S. portfolio companies joined to share learnings on how to advance DE&I initiatives within their organizations.

RESPONSIBLE TECHNOLOGY AND CYBERSECURITY

- In May 2023, Warburg Pincus hosted a teach-in session with external experts on how to “Establish a Responsible AI Strategy,” to educate our portfolio companies on recent trends in Artificial Intelligence. 150+ senior executives (including CIOs, CTOs, CPOs, CDOs, and GCs) from 70+ portfolio companies joined to discuss the role of Artificial Intelligence regarding data privacy, integration, regulations, and risk mitigation.
- In March 2023, Warburg Pincus hosted a teach-in with information security leaders from portfolio companies on cybersecurity. 40+ participants from 28+ portfolio companies joined to share insights, trends, and best practices.



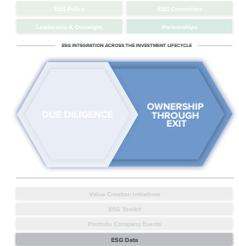
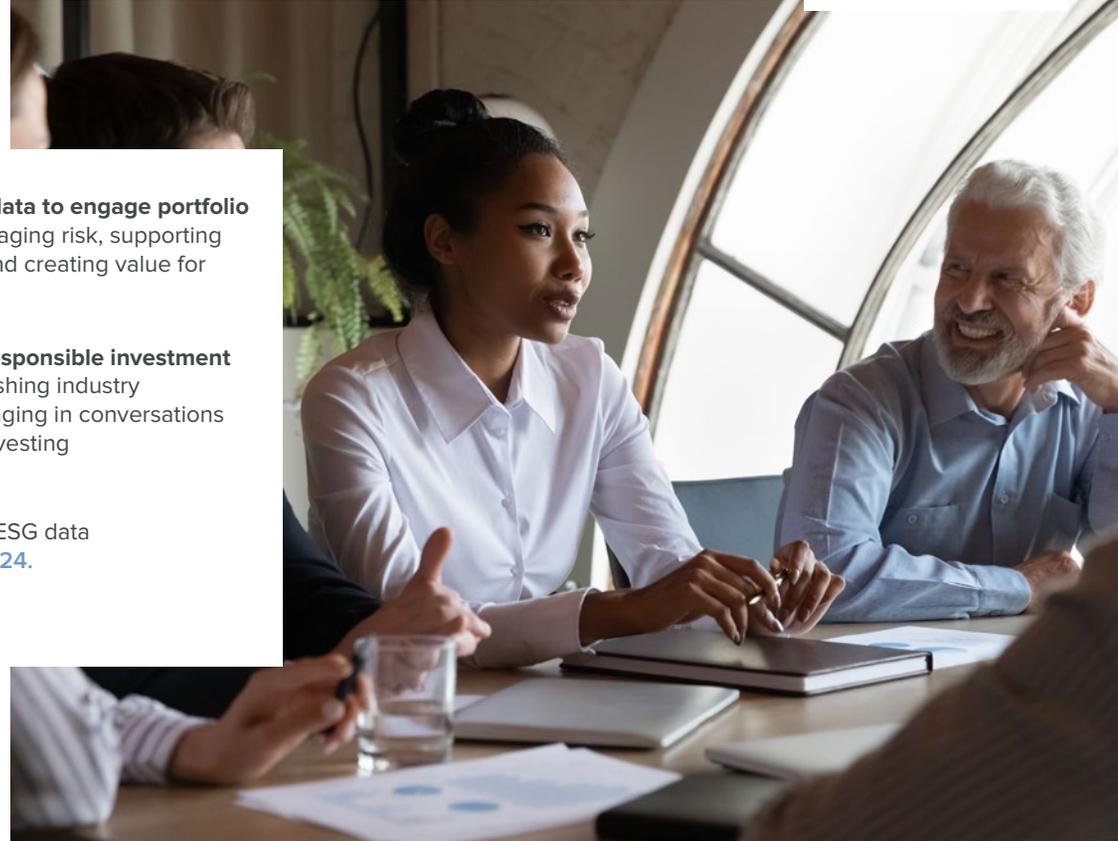


INVESTMENT MONITORING AND ENGAGEMENT THROUGH ESG DATA

ESG data can be useful when we evaluate potential investment targets, take a stake in a business, and engage with portfolio companies during ownership and prior to exit. ESG data can help us measure both progress and performance, while also satisfying reporting considerations for our stakeholders. In 2022-2023, we enhanced our ESG data collection efforts by:

- **Expanding the scope of collected metrics** across a subset of our investments, incorporating elements of relevant industry and regulatory frameworks. We collect information that aligns with certain global disclosure frameworks, including metrics related to climate strategy, employee health and safety, employee engagement, diversity, equity, and inclusion, and cybersecurity/data privacy policies
- **Increasing our focus on data quality** through facilitated teach-in sessions and one-on-one engagements with portfolio company executives to provide general guidance on materiality and data collection
- **Seeking to leverage data to engage portfolio companies** while managing risk, supporting their ESG ambitions and creating value for stakeholders
- **Contributing to the responsible investment community** by establishing industry partnerships and engaging in conversations around responsible investing

Read more about our ESG data teach-ins on [→ Page 24.](#)



ESG DATA COLLECTION THEMES

E

- Climate strategy
- Waste/waste water

S

- Diversity, equity, and inclusion
- Employee engagement
- Workforce well-being

G

- Business ethics
- Cybersecurity
- Business conduct
- Corporate oversight



Our Climate Strategy

28 TCFD Report

32 Climate Strategy



Infoblox
Investment made December 2020



FOCUSING ON CLIMATE AND TCFD ALIGNMENT

We continue to expand our climate strategy, using the TCFD recommendations as a guide to consider and disclose climate change-related risks and opportunities and how they impact our business. As our strategy evolves, we plan to share how we address the TCFD’s four pillars — governance, strategy, risk management, and metrics and targets — in the short-term, medium-term, and long-term lens as relevant to our business or investments.

- 1 Governance
- 2 Strategy
- 3 Risk management
- 4 Metrics and targets

1

GOVERNANCE

Our Global Public Policy and Political Risk and Sustainability Strategy teams report into the Executive Leadership team, which remains informed on climate-related risk as it relates to the firm’s overall business. Climate is included in the firm’s ESG policy and is a frequent topic during the quarterly ESG Committee meetings and related working groups. Additionally we:

- Continue to be active members of Initiative Climat International (iCI) and the Sustainable Markets Initiative, and contribute to various industry research collaborations related to climate issues.
- Conduct internal and portfolio-facing ESG trainings which include climate considerations. For example, we held a portfolio company event in 2023 which included education and tools for measuring and managing Scope 1, Scope 2, and Scope 3 GHG emissions.

Read more about this event on [→ Page 24.](#)

FOCUSING ON CLIMATE AND TCFD ALIGNMENT CONTINUED

2

STRATEGY¹

Across the firm, investing teams are exploring climate-related opportunities in both sourcing new potential investments benefitting from policy, technology, and market tailwinds as well as engaging current portfolio companies on decarbonization to drive growth, as relevant. Noting a range of climate-related policy, market, and reputational risks among other factors, the firm established a dedicated Energy Transition & Sustainability Team, which builds upon our experience investing in renewables and energy transition investments for the past two decades of investing in energy, cross-sectional expertise, deep understanding of business models, and longstanding relationships with major traditional energy companies. Areas of focus include opportunities in power and decarbonization such as grid resilience, renewable energy value chain, decarbonization of industrial processes, and carbon markets.



As investors, we have the unique role of being able to play in the intersection of capital deployment and innovative ideas. This has been an exciting time in our sector where the demand for low-carbon energy and a more sustainable global economy is likely to create significant opportunities for new equity investment over the coming decades.

– Roy Ben-Dor,
 Managing Director,
 Head of Energy Transition
 & Sustainability

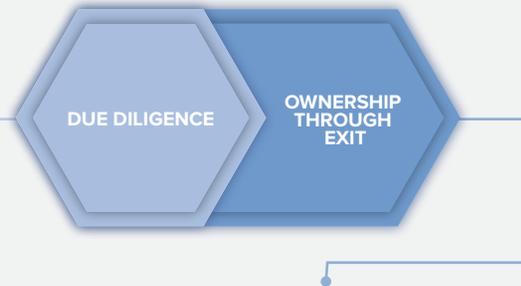
¹ See Endnote C on Page 55 for important disclosures regarding SFDR and Warburg Pincus' sustainability strategy and ESG program.

FOCUSING ON CLIMATE AND TCFD ALIGNMENT CONTINUED

3

RISK MANAGEMENT

We continue to incorporate tools and processes to help manage climate-related risks in new and existing investments.



Due Diligence: We include climate-related risks in all sector ESG due diligence guides. These guides are used by deal teams, working alongside our Sustainability Strategy team, to identify material issues for investments. We are increasingly engaging with outside consultants, on material environmental and climate-related issues, which may at times involve the use of climate scenario analysis.

Ownership Through Exit: We strive to evaluate potential climate-related risks of our investments during our ownership period. This includes identifying potential transition and physical risks – helping us prioritize our engagement with portfolio companies on measurement, risk management, and decarbonization as appropriate.



Portfolio Emissions: Since 2020, we have partnered with Institutional Shareholder Services (ISS) ESG to conduct an annual estimation of our firm’s financed emissions (Scope 1, Scope 2, and Scope 3 GHG emissions of our portfolio holdings at year-end). Using this data, we are taking a risk-based approach and prioritizing portfolio companies in the most GHG-intensive sectors for the collection of bottom-up GHG emissions data.¹

Scenario Analysis: This year, we collaborated with ISS ESG to pilot a scenario analysis for a subset of our portfolio to evaluate potential exposure and impacts from physical climate risks. This analysis models six of the costliest physical climate hazards: river floods, coastal floods, wildfires, tropical cyclones, heat stress, and droughts hazards, and applies Representative Concentration Pathway (RCP) scenarios as outlined by the Intergovernmental Panel on Climate Change’s (IPCC). We intend to continue to explore this type of analysis to gain a better understanding of climate risks in our portfolio.

While we pivot away from hydrocarbon-linked investments in our most recent global fund, we seek to continue to be a good environmental steward of our existing investments. In July 2022, we hosted our Energy ESG Summit for our current energy exploration and production (E&P)-focused portfolio company CEOs. We addressed responsible environmental stewardship with a focus on ESG trends, climate regulations, emissions and methane management, metrics, and oversight at a board level. Executive management of 100% of our portfolio companies in the sector participated in the Energy ESG Summit along with their respective Warburg Pincus board members.

¹ See Endnote D on Page 55 for important disclosures regarding the GHG protocol.

FOCUSING ON CLIMATE AND TCFD ALIGNMENT CONTINUED

4

METRICS AND TARGETS

An important step in our climate journey is obtaining an accurate, verifiable calculation of our own firm’s GHG emissions. At the firm level, we have calculated and externally validated the firm’s Scope 1, Scope 2, and select Scope 3 GHG emissions according to Greenhouse Gas Protocol (GHG Protocol) standards¹ from 2019 to 2022.

	2021	2022	Notes
Firm-level GHG emissions Reported in MTCO ₂ e (metric tons of carbon dioxide equivalent)			
Scope 1	0	62	Direct Emissions ²
Scope 2	1,087	1,165	Purchased Electricity ³
Scope 3	4,010	8,762	Business Travel / Employee Commute ⁴
TOTAL	5,097	9,989	

Scope 3, Category 15 (Investments): For portfolio company emissions, we have estimated portfolio emissions since 2020 in collaboration with ISS ESG. Seeking to align with the Partnership for Carbon Accounting Financials (PCAF) methodology, we aspire to improve data quality by engaging with portfolio companies – using a risk-based approach – to collect bottom-up data from portfolio companies. We are in the process of rolling out a new portfolio-wide ESG data collection process, which includes numerous climate and TCFD questions.



We have partnered with TRC, a Warburg Pincus portfolio company, to offer a GHG Emissions Tool which we offer to the portfolio as a part of our [ESG toolkit](#). Through this and other partnerships, we collaborate with management teams on strategies to reduce GHG emissions and set related targets, as relevant for their industries.

The GHG inventory for Scopes 1 and 2 were based on the World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. For Scope 3, Warburg Pincus completed the GHG inventory using WRI/WBCSD’s Greenhouse Gas Protocol Value Chain Accounting and Reporting Standard. An external verification of our carbon footprint was performed by Apex Companies LLC (2019 – 2021) and WAP Sustainability Consulting (2022). Verification methodology included interviews with relevant Warburg Pincus personnel, review of documentary evidence and data, information systems, and methodology to determine GHG emissions, and a corresponding audit of sample data.

¹ See Endnote D on page 55 for important disclosures regarding the GHG protocol.
² Starting in 2022, Warburg Pincus began including stationary combustion and refrigerant fugitive emissions as part of its firm-level GHG emissions.

³ Scope 2 emissions were calculated using a market-based approach. Starting in 2022, Warburg Pincus began including purchased chilled water as part of its firm-level GHG emissions.

⁴ For Scope 3, Warburg Pincus completed Categories 6 and 7 of the GHG inventory using WRI/WBCSD’s Greenhouse Gas Protocol Value Chain Accounting and Reporting Standard.



TAKING ACTION TO REDUCE AND OFFSET FIRM-LEVEL EMISSIONS

As we continue to manage our firm-level footprint and undertake emissions reductions efforts, we have used carbon credits (offsets) that we believe to be high quality as a complementary component of our broader climate strategy. We see these carbon credit purchases as a bridge between our current emissions profile and the reductions we aspire to achieve over the coming years. We first purchased carbon credits last year to compensate for 2019-2021 emissions in aggregate to coincide with our baseline year, 2019.

For 2022, we continued our efforts and compensated our Scope 1, Scope 2, and select Scope 3 GHG emissions using a portfolio approach involving industrial decarbonization and nature-based solutions. Mindful of quality considerations, we partnered with ClimeCo, a leader in carbon solutions and a Warburg Pincus portfolio company, to help define parameters around our carbon credit purchases. We intentionally selected projects that are third-party verified and registered with leading carbon standards. We believe the carbon credits generated by these projects represent high-quality standards and methodological rigor addressing additionality, recent vintages, and alignment with Warburg Pincus culture and values.



ClimeCo is a global sustainability company headquartered in North America, delivering market-based solutions necessary to be successful in a low-carbon economy. For more on ClimeCo's approach to high-quality carbon credit projects, see climeco.com/carbon-credits/

¹ The Ascend Performance Materials N₂O Abatement Project is registered under the Climate Action Reserve.

² The BigCoast Forest Climate Initiative Project uses Improved Forestry Management and is registered under the Verified Carbon Standard (VCS) VM0012.

³ The Afognak Island Forest Project uses Improved Forest Management and Logged Forest to Protected Forest and is registered under the Verified Carbon Standards (VCS) VM0012 v3.0.

⁴ The Afognak Island Forest Project is also supported by the Rocky Mountain Elk Foundation to ensure the future of elk and other wildlife across North America.



ABATING GREENHOUSE GAS EMISSIONS THROUGH INDUSTRIAL DECARBONIZATION

- The **Ascend Performance Materials N₂O Abatement Project¹**, located in Florida, is the largest voluntary N₂O abatement project in North America. N₂O, one of the most potent greenhouse gases with a Global Warming Potential 265 times that of carbon dioxide, is a byproduct of the adipic acid used in the production of everyday projects from food packaging to toothbrush bristles to car parts. This project finances industrial abatement technology, creating a financial incentive in the absence of regulation to avoid emissions of this toxic gas.

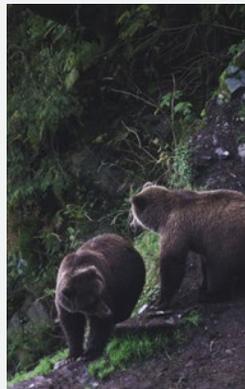


PRESERVING NATURE TO AVOID EMISSIONS AND ENHANCE SEQUESTRATION

- The **BigCoast Forest Climate Initiative Project²**, among the largest of its kind in Canada, began in 2018 with the deferral of timber harvesting of 40,000 hectares (100,000 acres) on private land in coastal British Columbia for a minimum of 25 years. The project is designed to avoid future GHG emissions from logging operations and increase carbon storage over the life of the project across some of the area's oldest trees and important ecosystems.

This project includes several co-benefits beyond avoided carbon, including:

- Biodiversity:** This project contributes to the broader regional ecosystem, which is home to bear, elk, salmon, orca, and more. A portion of the proceeds will go to the Pacific Salmon Foundation and advance projects that address salmon conservation and restoration.
- Social:** Recognizing that these lands are culturally significant to coastal First Nations, a portion of revenue derived from the initiative will flow to the Indigenous Protected and Conserved Areas (IPCA) Innovation Program.



PROTECTING FORESTS TO SEQUESTER ADDITIONAL CARBON, STORE LONG-TERM CARBON, AND AVOID EMISSIONS

- The **Afognak Island Forest Project³**, a landmark project in remote Alaska, was established in 2006 and designed to protect over 8,000 acres of a 200-year-old native spruce forest and increase carbon sequestration by providing financial incentives for shifting from timber production management to conservation management. Avoidance of emissions stems from the prevention of logging, whereas removals are derived by retaining native and naturally regenerating logged forests to store and sequester carbon. Well into the project timeline, it has produced credits representing both avoidance and removals of carbon – in the vintage year purchased (2019), 26% of the total credits were removals.

This project includes several co-benefits beyond avoided emissions and carbon removals, including:

- Biodiversity:** This project protects and restores habitats for native plants, mammals, birds, and fish species, including the Kodiak bear, Roosevelt elk, and Pacific salmon.⁴
- Social:** ClimeCo took over the project in 2022 and has committed to supporting local indigenous communities with funds from the sales of carbon credits. In 2023, ClimeCo donated \$50,000 to support the Native Village of Afognak and the Native Village of Port Lions (Alutiiq People). The Native Villages will use the funds to enhance transportation and provide supplies for an Afognak youth camp, and provide much-needed repair to tribal buildings, including a preschool.



Our ESG Integration in Action¹

- 34** Environmental Highlights
- 37** Social Responsibility Highlights
- 39** Governance Highlights
- 41** Companies with a Focus on Positive Outcomes

ESR
Investment made April 2017

¹ The select investments presented herein are provided to illustrate the application of Warburg Pincus' ESG strategy. As such, they were selected for their ESG characteristics and are not necessarily representative of all Warburg Pincus investments. Please see Endnote F on Page 55 for important disclosures regarding the selected investments.

BUILDING MICROGRIDS FOR RESILIENCY



Scale Microgrids aims to deliver sustainable¹, affordable, and reliable power to commercial and industrial customers by deploying microgrid and on-site distributed energy solutions. Collectively, Scale’s current projects are estimated to result in the reduction of GHG emissions by almost 1 million MTCO₂e (metric tons of carbon dioxide equivalent).

One of Scale’s recent projects is in the Petaluma School District, where utility power outages and wildfires in California have threatened the district’s ability to provide a quality and consistent education. Scale Microgrids has partnered with Petaluma City Schools to design and build multiple microgrids, with 100% renewable energy, that can provide over two full days of backup power. These projects are also intended to optimize savings generated from the microgrid by maximizing funding from California’s Self-Generation Incentive Program (SGIP).

Energy capacity shortfalls and extreme weather events are creating unpredictability for local utility grids. We’re in a unique position to offer school districts in California an energy system where they don’t need to choose between economics, sustainability, and resilience. The systems at Petaluma will be the first school microgrids in California designed to provide multiple days of backup power for the entire campus with only solar and battery energy storage, while still providing attractive lifetime savings to the district when compared with rising utility electricity rates.²

– **Ryan Goodman,**
CEO & Founder,
Scale Microgrid Solutions

MICROGRID AT PETALUMA:

The microgrids will include a 4.2 MWh battery energy storage system, a microgrid controller, and 831 kW of existing solar PV. Scale will utilize state-of-the-art lithium iron phosphate (LFP) batteries, which are attractive because they’re not dependent on scarce raw materials like cobalt and nickel.

100%

Clean, Backup Power

4.2 MWh

Battery Energy Storage System

831 kW

Solar PV

48+

Hours of Clean Resilience

¹ Where a portfolio company or its activities are described as “sustainable”, that is not intended to imply that the portfolio company is a “sustainable investment” within the meaning of SFDR.

² See Endnote H on Page 55 for important disclosures regarding endorsements.



ACCELERATING SUSTAINABILITY ACROSS DATA CENTER INFRASTRUCTURE



Princeton Digital Group (PDG) develops and operates data center infrastructure in the digital economies of China, Singapore, India, Indonesia, and Japan, with 20 data center projects across 14 cities and 5 countries. The company's rapid growth and deep Pan-Asian presence gives the company a compelling opportunity to be a leader in sustainability.¹ Guided by its four pillars – **Renewables, Green Design & Construction, Energy & Resource Efficiency, and Technology & Innovation** – PDG's vision is to be a leader in data center operator in terms of sustainability in the region.

PDG focuses on hyperscaling, efficiency, and sustainability for its data center operations. For new capacity, PDG adopts a "green-first" approach, by identifying locations with clean energy solutions to anchor large-scale data center campuses. The Design Power Usage Effectiveness (PUE) of all greenfield data centers is targeted to be between 1.2 – 1.4.²

PDG believes it is on a path to be on 100% renewable energy by 2030.²

PDG'S EFFORTS ARE GUIDED BY FOUR PILLARS:



Renewables



Green Design & Construction



Energy & Resource Efficiency



Technology & Innovation

¹ Where a portfolio company or its activities are described as "sustainable", that is not intended to imply that the portfolio company is a "sustainable investment" within the meaning of SFDR.

² Source: PDG Sustainability Report 2021



MAKING LOGISTICS MORE SUSTAINABLE



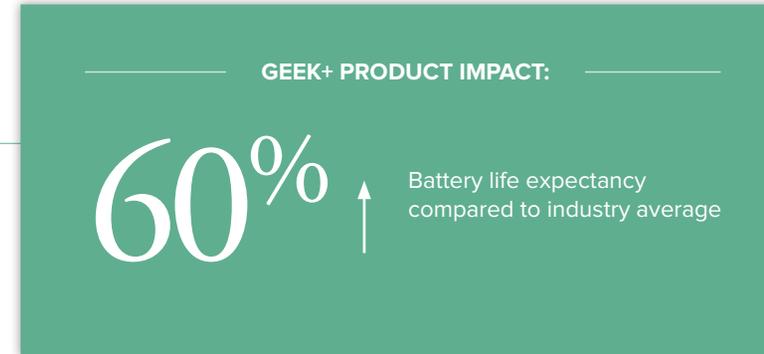
Geek+ is a global technology company at the forefront of the intelligent logistics revolution, developing Autonomous Mobile-Robots (AMR) to provide solutions for warehouses, factories, and supply chain management.

Geek+ products can facilitate positive action for retailers and logistics providers towards their sustainability goals.¹ Geek+ robots are an alternative to high energy consuming logistics equipment, and their use can reduce the use of electricity, lighting, and air conditioning in warehouses by operating in spaces without light. In addition, Geek+ robots have lower power consumption and their battery life expectancy is 60% higher than the industry average.

According to internal tracking data from Geek+, the company's fleet of 30,000 robots worldwide saved 140,000 tons of carbon emissions and 16 million kWh in energy in 2022.

Geek+ sustainability efforts focus on two main areas:

- **Helping customers meet their sustainability goals:** On average, a smart warehouse using AMR solutions uses 75% less power compared to a manually operated warehouse. Contributing factors include lower waste through low error rates; reduced packaging volume; paperless warehouses; space-saving and storage areas without light, heating, or air-conditioning.
- **Adhering to sustainable principles in Geek+'s own production line:** Geek+ robot parts are 80% reusable and their robots run on batteries with long battery life cycles. The company seeks to employ smart logistics planning and recycling where feasible throughout the manufacturing process.



We are proud to see the positive impact our robotic solutions are having on sustainable logistics, a major objective for our industry. From our own production and solution deployment, to enabling retailers and logistics providers meet their goals, logistics robots play a major role in making logistics more sustainable.²

– Yong Zheng,
Founder & CEO, Geek+

¹ Where a portfolio company or its activities are described as “sustainable”, that is not intended to imply that the portfolio company is a “sustainable investment” within the meaning of SFDR.

² See Endnote H on Page 55 for important disclosures regarding endorsements.



DRIVING POSITIVE HEALTH OUTCOMES



Alignment Healthcare



USA

Alignment Healthcare is a consumer-centric, tech-enabled Medicare Advantage company, which aims to positively transform the healthcare experience for its members – seniors. The Company has a goal to deliver better care at lower costs, improve health outcomes and bridge health equity gaps to drive toward better access for all, no matter a member’s health or wealth. Alignment Healthcare’s ESG approach is led by the value of having a serving heart and its three pillars of Serving People, Serving the Environment, and Serving Responsibly. Warburg Pincus invested in Alignment Healthcare in 2017 and the company was publicly listed in March 2021.

— ADDRESSING SOCIAL DETERMINANTS OF HEALTH —

>91,000¹

Rides provided to reduce transportation barriers

>14,000

Companion care visits to provide home assistance and technology support

>16,000

Meals provided to address food insecurity

— DELIVERING MORE POSITIVE HEALTH OUTCOMES TO MEMBERS —

52% ↓

Reduction in 2021 emergency room (ER) visits²

26% ↓

Reduction in 30-day readmission rates³

Data as of November 2022. Source: Alignment Healthcare 2021 ESG Report, Alignment Healthcare 2022 Proxy Statement, Health Evolution, publicly available information.

¹ Inclusive of wheelchair assistance.

² Among Alignment members compared to 2019 Medicare fee-for-service ER visits

³ Compared to 2019 Medicare fee-for-service readmission rates



PURSuing FINANCIAL INCLUSION IN THE PHILIPPINES



GCash is a leading e-wallet and digital financial services platform in the Philippines, with over 81 million registered users. With its vision of "Finance for All," the platform has a mission to democratize financial services through digital, in a country where banking penetration has been historically low and often inaccessible. The mobile wallet seeks to provide accessible means in a way that is easy to access, afford, and understand for the unbanked – to pay bills, transfer cash, borrow money, and access other financial services safely. GCash has received a strong net promoter score from customers of 83.9%. The company has partnered with the local Philippines government to provide benefits and financial aid to the citizens efficiently, as well as with organizations like Connected Women to support job opportunities and financial access to Filipino women.

At GCash, we continuously strive to make meaningful innovations with our products and services to better serve Filipinos and achieve our vision of "Finance for All." Together with our esteemed partners from the government, we aim to provide access to digital financial services for all, and leave no one behind.²

– **Martha Sazon,**
President & CEO, GCash



¹ As of May 2023

² See Endnote H on Page 55 for important disclosures regarding endorsements.

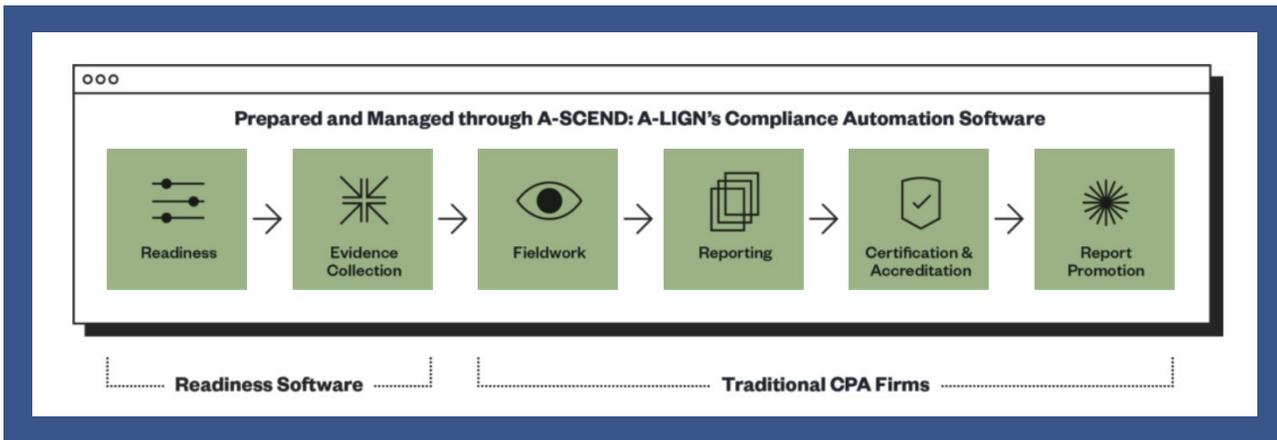


HELPING COMPANIES NAVIGATE THE COMPLEXITIES OF CYBERSECURITY AND COMPLIANCE



A-LIGN, a portfolio company headquartered in Tampa, Florida, is an end-to-end cybersecurity compliance solutions provider with readiness to report compliance automation software paired with professional audit services, for startups to enterprises. Companies of all sizes are facing increased demand for cybersecurity certifications as an assurance that customers' data is protected by their vendors. According to FBI data, cybercrime losses surpassed \$10 billion in 2022. Since 2018, the FBI has received over 3 million complaints with losses totaling \$27.6 billion.¹

Since 2009, A-LIGN has helped companies navigate the complexities of cybersecurity and compliance by offering customized solutions that align with an organization's goals and objectives. A-LIGN helps clients meet cybersecurity and regulatory requirements by gaining certifications across major regulatory and compliance frameworks including SOC, PCI, ISO, HITRUST, HIPAA, HITECH, and FedRAMP.



¹ Federal Bureau of Investigation Internet Crime Report 2022.



EMPOWERING PRIVATE AND PUBLIC SECTOR ORGANIZATIONS THROUGH DECISION INTELLIGENCE



Quantexa is a global leader in providing Decision Intelligence (DI) solutions for the public and private sectors, seeking to empower organizations to establish confidence in their data and reach new levels of organizational efficiency by augmenting and automating decision making. Using advancements in AI, machine learning, and advanced analytics, Quantexa's Decision Intelligence Platform aims to give customers the ability to solve major challenges across data management, customer intelligence, KYC, financial crime, fraud and security, and risk, throughout the customer lifecycle.

Quantexa's Decision Intelligence Platform can scale up to 60 billion records, has a 99% matching accuracy for creating single customer views, and uses transparent and secure AI models to enable clients scoring and alerting efforts.¹

Enterprises and government agencies have deployed Quantexa's Decision Intelligence Platform to unify over 1 trillion siloed data records and counting.

U.K. Government's Public Sector Fraud Authority partnered with Quantexa to modernize counter fraud efforts, including identifying fraudulent loan requests as part of emergency financial actions during the pandemic.¹

¹ United Kingdom Public Sector Fraud Authority.

SUPPORTING BUSINESSES THAT STRIVE TO ACHIEVE POSITIVE OUTCOMES

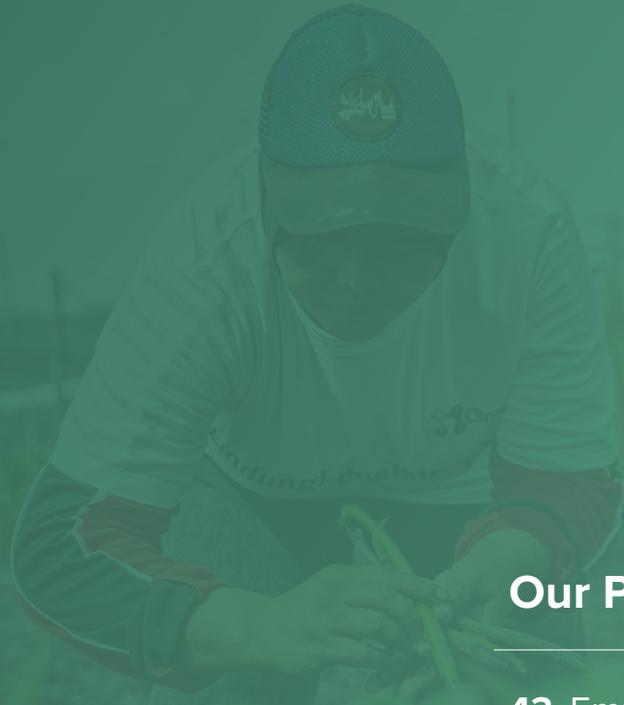
Some of our portfolio companies pursue societal improvements as an intrinsic part of their business strategy. Many of these companies seek to address several of the United Nations Sustainable Development Goals (UNSDGs) as part of their business models. A few of these companies are shown in their respective thematic ESG categories here:^{1,2}



3 GOOD HEALTH AND WELL-BEING	
5 GENDER EQUALITY	
6 CLEAN WATER AND SANITATION	
7 AFFORDABLE AND CLEAN ENERGY	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
10 REDUCED INEQUALITIES	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
13 CLIMATE ACTION	
CYBERSECURITY	

¹ The United Nations Sustainable Development Goals (SDGs) are aspirational in nature. Where a portfolio company is shown alongside a particular SDG, it is indicative that Warburg Pincus considers at least some of the business activities of that portfolio company make a positive contribution to at least one of the global targets or indicators associated with that SDG. See Endnote G on Page 55 and the fifth paragraph of the Cautionary Statement on Page 56 for more information.

² As of May 2023. Recent exits include Polyplus, Summit Health, and Once For All. Note that the Once For All transaction has not yet closed and is subject to customary closing conditions.



Our People

43 Employment Policies

44 Diversity, Equity, and Inclusion Initiatives



ClimeCo
Investment made April 2022



WE VIEW EMPLOYEES AS OUR GREATEST ASSET

We strive to attract, develop, and retain the best talent to support the growth of our portfolio companies into world-class organizations. We believe that creating a workplace that values and fosters equality and diversity is essential to achieving this goal and bringing creativity and innovative thought to our decision making.

Our people are our firm’s most valuable assets; the development and retention of our people is a key part of our success, and is the focus of our human capital policies and programs. We are continuously working to maintain our inclusive culture of high performance and excellence, underpinned by our desire and ambition to be a force for good in our communities through our portfolio companies and through the firm’s Warburg Pincus Gives Back programs.

– **Adrienne Filipov,**
*Managing Director,
 Chief Human Capital Officer*

Linda Clemons, a non-verbal communications expert and CEO of Sisterpreneur, presented to the Women@Warburg on Nonverbal Communications topics.

Equality in the Workplace

We are committed to fostering a work environment in which all individuals are treated with respect and dignity, free of discrimination and harassment. There is no tolerance of harassment of any kind of any employee by another employee, partner, supervisor, business associate, customer, client, or guest of the firm.

Our policy is designed to ensure equal employment opportunity to all employees and applicants without regard to their race, color, creed, religion, national origin, alienage, ancestry, citizenship status, age, sex, physical or mental handicap or disability, marital status, sexual orientation, veteran status, gender identity or expression (including transgender status), pregnancy, genetic information, or any other protected characteristic as defined by applicable federal, state, or local law in all personnel matters. This includes, without limitation, equal opportunity related to recruiting and hiring, compensation, opportunities for advancement (such as promotion and transfers), evaluation, training, and discipline.

Support for the Whole Person

We invest in our people and strive to promote their well-being and safety by offering opportunities for advancement, generous health benefits, robust wellness programs, and a comfortable and safe work environment.

We provide generous benefits to support parents, including the following programs:

- Primary caregiver leave of 20 weeks
- Secondary caregiver leave of 4 weeks

Family-Forming Benefits

The Firm’s global family-forming benefits support a range of potential needs of hopeful parents, including but not limited to: egg freezing, fertility treatments, adoption fees and support, surrogacy fees and support, extensive counseling, and emotional and legal support.



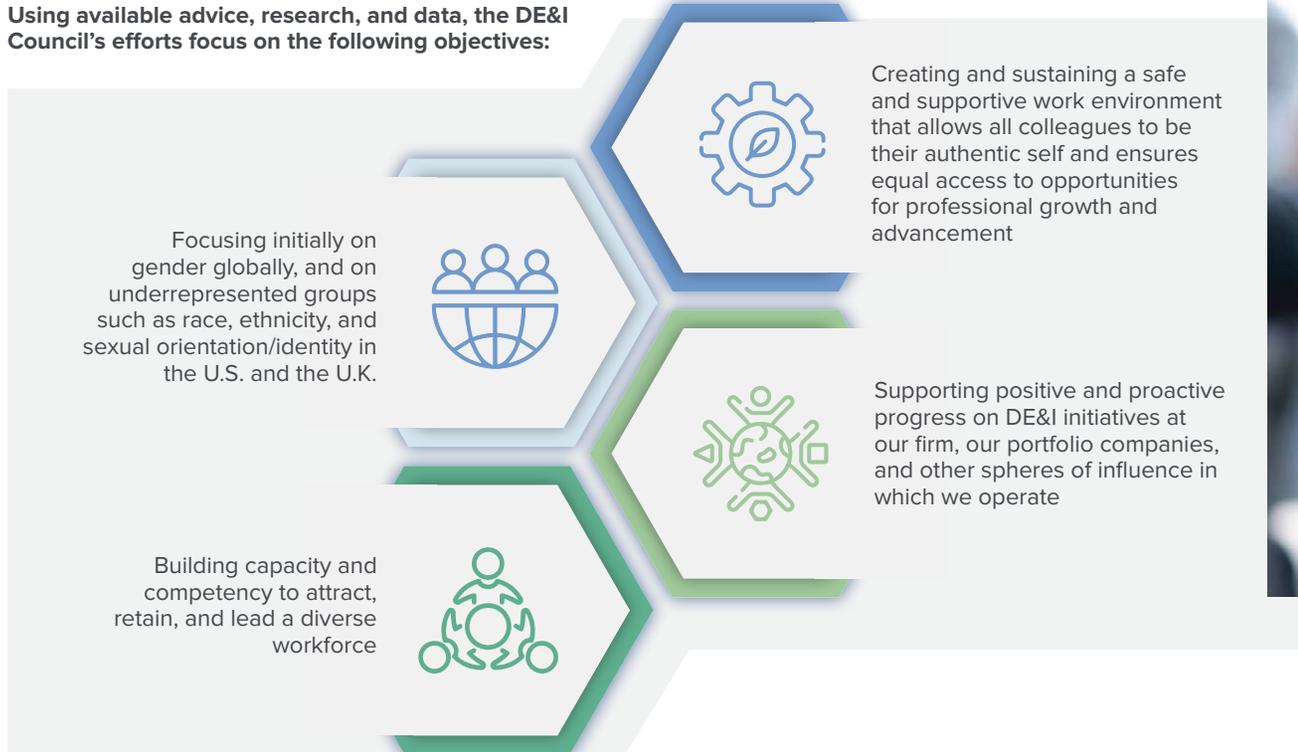
FURTHERING OUR COMMITMENT TO DIVERSITY

We believe diversity of thought, experience, and background is an important component of differentiated decision making and creative investing. For the past decade, we have taken steps to address diversity issues. We recognize there is much work to be done in order for our industry, workforce, and those of our portfolio companies to look more like the societies in which we live and work.

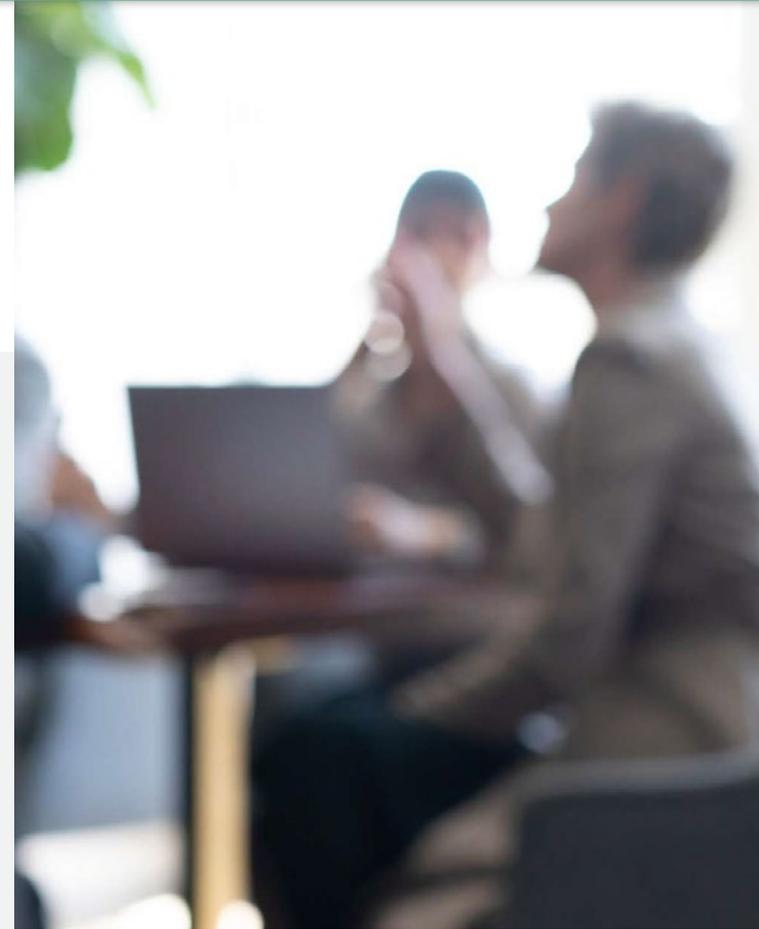
Warburg Pincus Council for Diversity, Equity, and Inclusion

We formed the inaugural Warburg Pincus Council for DE&I in 2020 to formalize our efforts to actively address issues of access and representation in our firm, in our business, and in our portfolio companies. The council is co-led by our CEO, Chip Kaye, and Chairman, Tim Geithner. It is chaired by Andrew Park, Head of our Healthcare Technology practice, and comprises a diverse group of colleagues who span all levels of seniority, functional expertise, and tenure at the firm.

Using available advice, research, and data, the DE&I Council's efforts focus on the following objectives:



We are a signatory to the **ILPA Diversity in Action initiative** and are committed to continuous improvement of our DE&I program—at our firm and through our philanthropic activities.





DE&I Plan: Aspirations Through 2026

The DE&I Council developed a five-year plan aiming to increase representation and inclusion at the firm, and to support DE&I initiatives at our portfolio companies.

DE&I Speaker Series:

The DE&I Council hosts a series of speakers throughout the year addressing DE&I topics. This year's series focused on celebrating Black History Month, Women's History Month, Asian American and Pacific Islander Heritage Month, Pride Month, and National Hispanic Heritage Month.

I.D.E.A (Inclusion, Diversity, Equity, and Awareness) Book Club Series:

The DE&I Council facilitates a quarterly book club focusing on topics relating to inclusion, awareness, and DE&I. The book choice is often sponsored by our employee networks.

Mentorship Programs

One-on-one and small group mentorship programs are available for members of underrepresented groups in the Americas and Europe.

Warburg Pincus DE&I Council Members by the Numbers¹

20

Total Members

9

Managing Directors

7

Members of the Executive Leadership Team

7

Key Support Functions

We continue to prioritize diversity, equity, and inclusion at both the firm and portfolio levels. We strive to weave DE&I into the fabric of everything we do. From our hiring practices to portfolio company board composition to employee retention, DE&I is top of mind throughout the firm.

– Andrew Park,
Managing Director,
Chair of DE&I Council

¹ As of May 2023



EMPLOYEE NETWORKS

In 2023, the DE&I Council launched two additional employee networks, bringing our total number of employee networks to six. These networks help to promote the firm's culture of inclusivity, understanding, and respect:

WOMEN@WARBURG

Women@Warburg is a global network that holds periodic events and designs programming for 400+ women professionals.

BLACK@WARBURG

Black@Warburg advocates for the recruitment, retention, advancement, and development for Black employees at the firm.

OUT@WARBURG

Out@Warburg provides a forum, programming, and content for employees who identify as LGBTQ+.

HOLA@WARBURG

HOLA (Hispanic Origin & Latin American) @ Warburg provides a forum, programming, and content for employees who are in North America and identify as Hispanic or Latin American.

ASIAN@WARBURG

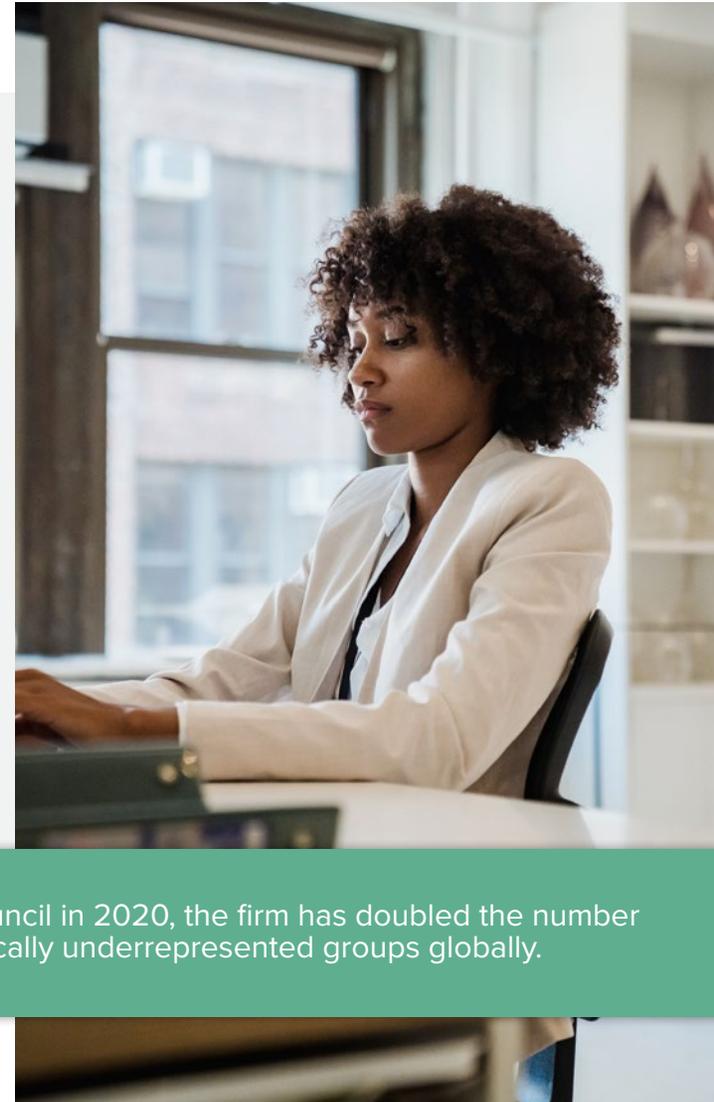
New in 2023

Asian@Warburg fosters an inclusive and supportive environment for networking among employees in the U.S. offices who identify as East Asian, South Asian, Southeast Asian, Central Asian, or Pacific Islander.

PARENTS@WARBURG

New in 2023

Parents@Warburg builds connectivity and community for parents and prospective parents at the firm.



Since the creation of the DE&I Council in 2020, the firm has doubled the number of managing directors from historically underrepresented groups globally.

PARTNERSHIPS FOR GREATER DIVERSITY

We support and utilize the following organizations that provide mentoring, training, and professional education to our diverse professionals, as well as, in some cases, access to potential employee candidates for the firm.



60%

of the incoming 2023 analyst, associate, and vice president classes in the U.S. are from historically underrepresented groups

For more on board-level DE&I partnerships, please see [→ Page 21](#)

Third-party logos herein are for illustrative purposes and do not imply an endorsement by such organizations.



Urgent Care



Corporate Citizenship

49 Philanthropy

51 Volunteering



Summit Health
Investment made June 2017

MAKING MEANINGFUL CONTRIBUTIONS

The **Warburg Pincus Foundation** supports a wide variety of charitable, educational, and community organizations through a combination of time and financial contributions. In 2022, the Warburg Pincus Foundation and Warburg Pincus LLC donated to more than **450** nonprofit organizations globally.

We seek opportunities where our resources can help nonprofit organizations grow and make a positive change in the communities they serve. Several of the firm's senior employees also have become meaningfully involved in the leadership of nonprofit organizations, including many of our partners who serve on the boards of these organizations.

The Foundation directs giving through colleague and portfolio company matching programs, firm-level charitable giving by region, and directed giving through DE&I partnerships and employee networks. From innovative grassroots groups to the largest global charities, the organizations we support reach nearly every region of the world — from Asia to Africa, across Europe, and in North and South America.



We feel passionately about supporting our colleagues' individual giving initiatives. I am proud of the progress we have made which includes making meaningful increases over the past year to our charitable giving matching program to further the firm's impact on the communities and geographies where we live and invest.

– Justin Sadrian,
Managing Director,
Chair of U.S. & Europe Charitable Giving Committee

CONTRIBUTIONS IN 2022

We supported 450+ unique organizations



Donated to organizations in 20+ countries

ALLOCATIONS OF FIRMWIDE CHARITABLE GIVING FOR 2022

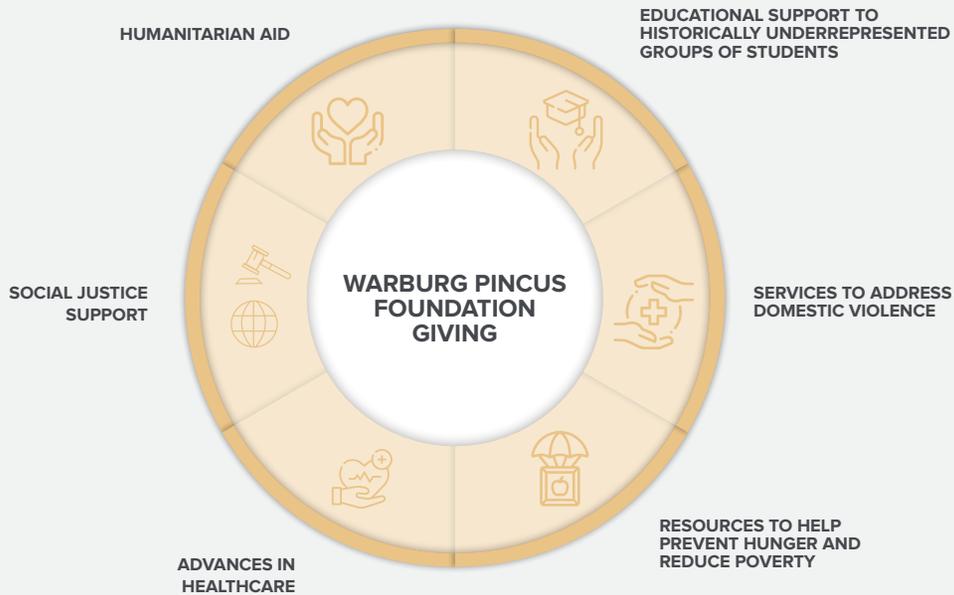
- 33% HUMANITARIAN AID / FOOD SECURITY
- 21% EDUCATION
- 16% HEALTH
- 13% ARTS
- 8% GENDER / RACIAL EQUALITY
- 6% ENVIRONMENT
- 4% OTHER



RIISING TO THE OCCASION

Warburg Pincus, through its Foundation, employees, and its support of its portfolio company management teams, continues to prioritize charitable giving. In some regions, we conduct employee surveys and allocate funds based on the suggestions by colleagues.

In 2023, the firm raised both its employee-matching program and donation-matching program to support portfolio companies' charitable efforts in their own communities. The firm made significant donations to organizations globally that provide:



VP Giving Program

In 2022, the firm asked investing Vice Presidents globally to work together as a team to select 10 organizations to which the firm will make contributions from the Warburg Pincus Foundation. The 10 organizations spanned the Americas, Europe, Asia, and Africa, and the program was an opportunity for team-building across the globe.

IMPACT HIGHLIGHT: WARBURG PINCUS VOLUNTEERING

In 2022 – 2023, Warburg Pincus employees volunteered in the United States across in-person events at Safe Horizon, City Harvest, Harlem Grown, Women in Need (WIN), and SuitUp.



SAFE HORIZON is a victim services nonprofit organization in the United States, providing social services for victims of abuse and violent crimes.



CITY HARVEST is one of New York’s largest food rescue organizations, collecting perfectly good food that would otherwise go to waste to help feed the millions of New Yorkers who struggle to put meals on their tables.



HARLEM GROWN inspires the youth to lead healthy and ambitious lives through mentorship and hands-on education in urban farming, sustainability, and nutrition.



WOMEN IN NEED provides safe housing and critical services to help homeless women and their children in the NYC area rebuild their lives and break the cycle of homelessness.



SUITUP partners with corporations across a variety of industries to plan and facilitate customizable business plan competitions to increase career readiness for students in underserved communities.

In 2022, the Warburg Pincus Information Technology department partnered with Meals on Main Street, Human-I-T, and World Computer Exchange to minimize our e-waste and donate our used equipment, providing devices to people in need and contributing to the educational support for digital literacy learners. These organizations are responsible for thousands of pounds of equipment being donated to local communities in their respective areas.

Third-party logos herein are for illustrative purposes and do not imply an endorsement by such organizations.



Appendices

- 53** Warburg Pincus ESG Policy (**Unabridged**)
- 55** Endnotes
- 56** Cautionary Statement
- 57** Contact



Bond Vet
Investment made October 2021



Last updated August 1, 2023

1. Overview

In accordance with our fiduciary duty to create long-term value for our investors, Warburg Pincus LLC (“Warburg Pincus,” “we” or the “Firm”) believes that integrating material environmental, social and governance (“ESG”) factors into investment analysis can provide a wider lens on risks and opportunities of potential investments. We expect ESG to play an increasingly important role in the Firm’s risk evaluation and value creation. Meanwhile, the importance of ESG considerations among the customers, employees, and communities of our funds’ (“Funds”) portfolio companies (“Portfolio Companies”) presents potential opportunities for risk management and value creation.

Consistent with these beliefs, Warburg Pincus is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and the ILPA Diversity in Action, as well as a member of the American Investment Council (AIC) (and has adopted the AIC’s Guidelines for Responsible Investing (the “AIC Guidelines”). We are also a member of the International Financial Reporting Standards (IFRS) Sustainability Alliance (formerly known as SASB Alliance). Further, we are a member of the Initiative Climat International (ICI), and we use the Task Force on Climate-Related Financial Disclosures (TCFD) framework as a guide in informing our climate strategy. In addition, Warburg Pincus is a founding partner of Ownership Works (OW), a member of the Sustainable Markets Initiative’s (SMI) Privates Equity Task Force, and a partner with a number of diversity-oriented organizations. This ESG policy (this “Policy”) is intended to guide the Firm’s consideration of material ESG issues in the course of its due diligence and monitoring of Portfolio Company

investments to the extent reasonably practical under the circumstances, subject, in any event, to the provisions of the operative agreements of the Funds, and in a manner consistent with its fiduciary duties to the Funds’ investors (collectively, “Investors”). For the purposes of this Policy, “material” ESG issues are defined as those ESG issues that Warburg Pincus, in its sole discretion, determines have, or have the potential to have, a direct and substantial impact on a respective Portfolio Company’s ability to create or preserve economic value and/or a reputational risk for Warburg Pincus.

2. Scope

This Policy applies to the Firm’s investment process across all asset classes, where appropriate, following the date hereof and will be administered in accordance with local laws, regulations, and the Firm’s fiduciary duties. The Firm may update this Policy in the future, as appropriate.

Warburg Pincus’ Funds are often non-control investors in Portfolio Companies and may have a limited ability to diligence, influence and control the integration of ESG considerations in an investment. Reasonable efforts will be made to encourage these Portfolio Companies to consider relevant ESG-related principles and to support their implementation where possible.

ESG goals are aspirational and not guarantees or promises that all goals will be met. Further, ESG practices are evolving rapidly and Warburg Pincus’ adoption and adherence to various industry principles, frameworks, methodologies and tools is expected to vary over time. Warburg Pincus considers its focus on ESG as a tool to both help identify investment opportunities and

avoid material risks, share best practices with portfolio companies and provide resources to companies seeking to develop ESG initiatives.

3. Areas of Focus

The Firm believes that the widening landscape of ESG issues requires a perspective on past, current, and potential future areas of operational, regulatory, and reputational risks. We seek to leverage ESG due diligence guides, such as the IFRS’s SASB Standards, to inform our understanding of ESG risks relevant to each applicable industry. We seek to incorporate the ESG considerations such as the below into our investment diligence, ownership and monitoring practices, in each case, to the extent we consider them to be applicable:

Environmental

- Climate risks and opportunities
- Use of natural resources and raw materials
- Pollution control, waste, and recycling
- Biodiversity impacts

Social

- Human rights, including child or forced labor
- Workforce well-being, employee health and safety, and employee engagement
- Diversity, equity, and inclusion
- Quality and access to goods/services

Governance

- Corporate governance
- Management of legal and regulatory environment

- Corporate behavior
- Data security and privacy
- Supply chain management

In addition, the Firm believes that certain investment opportunities may involve a higher level of ESG risk due to industry sector, location, or reputational concerns — including health and safety, human rights, and environmental factors — and increasingly, climate risks. Our deal teams will, when deemed appropriate, seek to engage external experts during due diligence to analyze material ESG considerations to understand a fuller picture of risks and opportunities. We will endeavor to evaluate through our due diligence of investment opportunities to identify the ESG-related risks and opportunities of an investment including identifying investments that present material ESG risks. Such investment screening principles may be individually tailored to each investment strategy, as appropriate.

4. ESG Roles and Responsibilities within the Firm

The Firm’s Sustainability Strategy Team facilitates the development and implementation of this Policy at the Firm. The Sustainability Strategy Team may propose for consideration and approval by the ESG Committee edits, updates or enhancements to this Policy, from time to time, but in any event, not less than every two years. The Sustainability Strategy Team will seek to remain reasonably informed about ESG developments and best practices within the private equity industry and related industry sectors as relevant. The Sustainability Strategy Team will also seek to build ESG awareness among its professionals through periodic



trainings on ESG issues and their potential impact on the Firm's business. The Sustainability Strategy Team is overseen by the Head of Global Public Policy and Political Risk who reports to the Firm's Chief Operating Officer, a member of the Firm's Executive Leadership Team.

The Firm's ESG Committee formulates the Firm's strategic approach to ESG issues, including setting ESG priorities and supporting the Firm's investment teams in the promotion and implementation of our ESG strategy. The ESG Committee is comprised of professionals from across the Firm, including investment professionals representing many of the geographies and sectors in which we invest and senior members from our key support functions.

Warburg Pincus' investment professionals, in collaboration with the Sustainability Strategy and Legal & Compliance Teams, will seek to ensure that ESG issues are considered in the investment process, as appropriate. When appropriate, the Executive Leadership Team and/or relevant Investment Management Group will be informed of material ESG issues as they arise.

Where additional subject matter expertise is needed, the teams may utilize external resources as appropriate on behalf of the Fund(s).

5. ESG Analysis and Due Diligence

Subject to the Firm's determination of what is reasonable and appropriate for each investment in its sole discretion, as described in Section 2 above, the Firm takes steps to incorporate considerations of material ESG issues during the prospective investment selection and due diligence process. The firm believes that an effective sustainability strategy and ESG program helps Warburg Pincus and

its portfolio companies identify investment opportunities, better manage risk, improve efficiency, reduce environmental impacts and ultimately build more valuable, competitive and sustainable enterprises.

During due diligence, investment professionals may access relevant expertise through several channels, including by referencing sector-specific ESG due diligence guides created by the Sustainability Strategy Team, consulting with the Sustainability Strategy Team on deal-specific issues, and seeking advice from expert consultants and advisors. At a minimum, investment teams are generally expected to include a section in their internal investment memoranda discussing ESG issues and, to the extent possible as part of the approval process for each investment, consider material ESG issues, risks and opportunities identified during due diligence. If any material ESG findings are identified during due diligence that are determined to be manageable with post-closing actions, such post-closing actions will be addressed in the management plan for the applicable investment.

6. During Portfolio Company Ownership

During the ownership phase, the applicable deal team will seek to monitor relevant, investment specific ESG factors through its board seats, where applicable. Subject to the Firm's determination of what is reasonable and appropriate for each investment as described in Section 2 above, the Firm will seek to work with various Portfolio Company management teams to encourage and support ESG best practices, including adherence to the UNPRI and AIC Guidelines in a way that is consistent with its fiduciary duties. This may include members of the Firm's Sustainability Strategy Team engaging with and providing resources to Portfolio

Companies seeking to advance their ESG practices in respect of ESG risks and opportunities. For example, the Firm seeks to create forums with various Portfolio Companies to discuss and share best practices on topics ranging from starting a sustainability program to learning how to analyze and approach energy efficiency projects. Additionally, as part of such best practices, the Firm, as applicable, will endeavor to assist Portfolio Companies with employing governance structures that provide appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest and have compensation/related policies that align the interests of owners and management.

The Firm also seeks to help various Portfolio Companies improve their potential for long-term sustainability, to benefit multiple stakeholders and minimize their adverse impacts with respect to environmental, public health, safety, and social issues; where applicable and if appropriate, the Firm may also engage in collaborative efforts among industry peers, to share insights, resources, and best practices, on these initiatives. When appropriate, the Firm may access third-party tools to monitor the Funds' investments for potentially material reputational ESG risks and ESG incidents and opportunities.

In addition, Warburg Pincus will seek to regularly collect data on several topics from Portfolio Companies as a way to monitor and engage with them on ESG issues and practices.

7. Reporting, Stakeholder Engagement and Collaboration

The Firm will seek to be transparent in its approach to incorporating ESG considerations in its investments, including by making this Policy available

to Investors, publishing an annual sustainability report which is made available to Investors and the public, and by request, on its ESG progress and outcomes. Recognizing the importance of ESG to limited partners, the Firm seeks to discuss the development of its sustainability strategy and ESG program annually during the Limited Partner Advisory Committee meeting and the Warburg Pincus Annual Meeting. In addition, members of the Fundraising and Investor Relations and Sustainability Strategy Teams are pleased to discuss the Firm's sustainability strategy and ESG program and initiatives with stakeholders, and where appropriate, the Firm will make itself, or representatives of Portfolio Companies, accessible to and engage with relevant stakeholders and support local communities, including through partnerships with nonprofits.





A. ESG goals are aspirational and not guarantees or promises that all goals will be met. There can be no assurance that Warburg Pincus' sustainability strategy or ESG policies and procedures as described herein will continue, and Warburg Pincus' sustainability strategy or ESG policies and procedures could change, even materially. ESG factors are only some of the many factors Warburg Pincus considers in making an investment, and there is no guarantee that Warburg Pincus will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term value and financial returns for limited partners. To the extent Warburg Pincus engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. There can be no assurance that the operations and/or processes of Warburg Pincus as described herein will continue, and such processes and operations may change, even materially. The actual investment process used for any or all of Warburg Pincus' investments may differ materially from the process described herein. Actual results may differ materially from any forward-looking statements.

B. ESG goals are aspirational and not guarantees or promises that all goals will be met. In this report, we are not using such terms "material" or "materiality" as they are used under the securities or other laws of the U.S. or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. For purposes of this report, consistent with our ESG Policy, "material" ESG issues are defined as

those issues that Warburg Pincus, in its sole discretion, determines have, or have the potential to have, a direct and substantial impact on a respective company's ability to create or preserve economic value, as well as environmental and social value for itself and its stakeholders, and/or reputational risk for Warburg Pincus.

C. ESG goals are aspirational and not guarantees or promises that all goals will be met. Investments in climate-related opportunities were not binding elements of the investment decisions made by the new global fund.

D. ESG goals are aspirational and not guarantees or promises that all goals will be met. Scope 1 covers direct GHG emissions from the firm's owned or controlled sources. Starting in 2022, Warburg Pincus began including stationary combustion and refrigerant fugitive emissions as part of our firm-level GHG emissions. Scope 2 covers indirect GHG emissions from electricity, steam, heating and cooling purchased or acquired by the firm. Starting in 2022, Warburg Pincus began including purchased chilled water as part of our firm-level GHG emissions. Scope 3 includes all other indirect GHG emissions that occur in the firm's value chain. For the periods presented in this report, our calculations of firm-level Scope 3 GHG emissions is limited to Category 6 (Business Travel) and Category 7 (Employee Commuting) of the GHG Protocol. We also note that, when we refer to financed emissions, we are referring to Scope 3 GHG emissions associated with the firm's portfolio company investments that are not already included in the firm's Scope 1 or Scope 2 emissions figures.

E. The development and implementation of ESG tools, policies, and processes to support portfolio companies is not a binding component of the investment process. Readers should refer to fund documentation and marketing materials for information on binding elements of the investment strategy and decision-making process.

F. ESG goals are aspirational and not guarantees or promises that all goals will be met. The select investments presented herein are provided to illustrate the application of Warburg Pincus' sustainability strategy and ESG program with respect to its portfolio investments only, may not be representative of all transactions of a type or types of investments generally and should not be relied on in any manner as legal, tax, regulatory or investment advice and should not be considered a specific recommendation of any particular security or portfolio company. There can be no assurance that any historical practices will continue. ESG goals are aspirational and not guarantees or promises that all goals will be met. Actual results may differ materially from any forward-looking statements. Please see the Cautionary Statement's section on Third Party Sources on Page 56 for important disclosures regarding the use of ESG information from portfolio companies.

G. The select SDG-aligned investment themes presented in this Report were defined using internal analysis, are presented for illustrative purposes only, and have been selected in order to provide an example of Warburg Pincus' ESG efforts. These select investment themes may not be the subject of investment and do not purport to be a complete list of Warburg Pincus' investment themes. Please refer to the Cautionary Statement on Page 56 of this report for more information.

H. Endorsements presented herein are made by current or former employees of Warburg Pincus and its portfolio companies, over which Warburg Pincus may have ability to exercise discretion on compensation, promotion and other employment decisions, and may also be investors in Warburg Pincus funds.



The data and information in this report (“Report”), which has been prepared by Warburg Pincus, are presented for informational purposes only. This Report shall not constitute an offer to sell or the solicitation of any offer to buy any interest, security, or investment product. The information in this Report is only as current as the date indicated and may be superseded by subsequent market events or for other reasons, and Warburg Pincus assumes no obligation to update the information herein. Nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision. This Report should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any securities or to adopt any investment strategy.

Certain of the information contained in this Report contains “forward-looking statements” or information. Any statements that are not statements of historical facts may be deemed to be forward-looking statements. When used in this Report, the words “may,” “could,” “anticipate,” “target,” “plan,” “continue,” “goal,” “commit,” “achieve,” “project,” “intend,” “estimate,” “believe,” “expect” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. Furthermore, any projections or other estimates in this Report are “forward-looking statements” and are based upon certain assumptions that may change. Forward-looking statements are subject to a number of certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or anticipated results. These risks and uncertainties, include, but are not limited to: continued uncertainties related to the impact of the COVID-19 pandemic on our business and operations, financial performance and liquidity, our portfolio companies, and on the global economy; changes in general economic conditions, in the US or internationally; significant competition on a local, regional, national and international level; changes in the regulatory environment in the U.S. and/or internationally; increased and/or more complex physical or data security requirements; legal, regulatory or market responses to global climate change; our ability to attract and retain qualified employees; breaches in data security; disruptions to the Internet or our technology infrastructure; interruptions in or impacts on our business from natural or man-made events or disasters including terrorist attacks, epidemics or pandemics; our ability to accurately forecast our future capital or operating investment needs; exposure to changing economic, political and social developments in international and/or emerging markets; changes in business strategy, government regulations, or economic or market conditions that may result in impairment of our assets; increases in our expenses or funding obligations relating to employee health, retiree health and/or pension benefits; potential additional U.S. or international tax liabilities; potential claims or litigation related to labor and employment, personal injury, property damage, business practices, environmental liability and other matters; and other risks. The forward-looking statements speak only as of the date of this Report and undue reliance should not be placed on these statements. Warburg Pincus disclaims any obligation to update any forward-looking statements as a result of new information, future events or otherwise. In addition, unless the context otherwise requires, the words “include,” “includes,” “including,” and other words of similar import are meant to be illustrative rather than restrictive.

Except where opinions and views are expressly attributed to individuals, general discussions contained within this Report regarding the market or market conditions represent the view of either the source cited or Warburg Pincus. Nothing contained herein is intended to predict the performance of any investment. There can be no assurance that actual outcomes will match the assumptions or that actual returns will match any expected returns.

Goals are aspirational and not guarantees or promises that all goals will be met. Certain information contained herein relating to any goals, targets, intentions, outcomes or expectations, including with respect to net-zero targets and related timelines, is subject to change, and no assurance can be given that such goals, targets, intentions, outcomes or expectations will be met. Statistics and metrics relating to ESG factors or sustainability risks or impacts may be estimates and subject to assumptions or developing standards (including Warburg Pincus’ internal standards and policies). The ESG or impact goals, targets, commitments, incentives, initiatives or outcomes, which form part of Warburg Pincus’ sustainability strategy and ESG program, as contained herein are purely voluntary and are not binding on investment decisions and/or Warburg Pincus’ management or stewardship of investments. Warburg Pincus may in the future establish, certain ESG or impact goals, targets, commitments, incentives, initiatives or outcomes. Any ESG or impact goals, targets, commitments, incentives, initiatives or outcomes referenced in any information, reporting or disclosures published by Warburg Pincus or the Private Equity Sustainable Markets Initiative Task Force are not being marketed to investors or promoted and do not bind any investment decisions made in respect of, or stewardship of, any funds managed by Warburg Pincus for the purposes of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”). Any measures implemented in respect of such ESG or impact goals, targets, commitments, incentives, initiatives or outcomes may not be implemented or immediately applicable to the investments of any funds managed by Warburg Pincus and any implementation can be overridden or ignored at the sole discretion of Warburg Pincus. Where a portfolio company or its activities are described as “sustainable”, that is not intended to imply that the portfolio company is a “sustainable investment” within the meaning of SFDR.

Disclaimer for Page 41: The United Nations Sustainable Development Goals (SDGs) are aspirational in nature. Where a portfolio company is shown alongside a particular SDG, it is indicative that Warburg Pincus considers at least some of the business activities of that portfolio company make a positive contribution to at least one of the global targets or indicators associated with that SDG. The analysis involved in determining whether and how certain initiatives may contribute to the SDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a view as to whether certain projects or investments contribute to a particular SDG. Accordingly, readers should not place undue reliance on Warburg Pincus’ interpretation or application of the SDGs, as such interpretation or application is subject to change at any time and in Warburg Pincus’ sole discretion. Further, statistics and metrics relating to ESG factors or sustainability risks or impacts may be estimates and subject to assumptions or developing standards (including Warburg Pincus’ internal standards and policies).

Similarly, there can be no assurance that Warburg Pincus’ ESG initiatives, policies and procedures as described in this Report, including policies and procedures related to responsible investment or the application of ESG-related criteria or reviews to the investment process, will continue to be applied in the manner described; such ESG initiatives, policies and procedures could change, even materially, or may not be applied to a particular investment. Warburg Pincus is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives, policies, and procedures based on cost, timing, or other considerations; such ESG initiatives, policies and procedure are not necessarily (and are not purported to be) deployed in connection with each investment. Statements about ESG initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an ESG initiative to or within the portfolio company; the nature and/or extent of investment in, ownership of or, control or influence exercised by Warburg Pincus with respect to the portfolio company; and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case-by-case basis. ESG factors, sustainability risks or impacts are only some of the many factors Warburg Pincus considers in making an investment, and there is no guarantee that Warburg Pincus will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term value and financial returns for limited partners. To the extent Warburg Pincus engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. Additionally, there can be no assurance that Warburg Pincus or its investments will be able to achieve any ESG-related objectives (in the time or manner set forth in this Report or at all), that their actions will not result in outcomes that could be viewed as having a negative ESG effect, or that any historical trends will continue to occur.

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WE ARE PROUD OF AND COMMITTED TO OUR SUSTAINABILITY STRATEGY

We will continue to look for opportunities to expand our network — both through the initiatives we have undertaken at our firm and the work we have done with our portfolio companies on these issues. We would be pleased to discuss these matters further with interested parties.

 Please email esg@warburgpincus.com



