Wellington Management Engagement Policy

WELLINGTON MANAGEMENT®

INTRODUCTION

As active managers seeking to deliver sustainable, competitive investment returns for our clients, Wellington invests in securities by choice and believes that through informed, active ownership we can further best practices on issues that are material to client outcomes. We consider engagement to be one element of our overall stewardship approach. Engagement can be applied to all investments we track across equity and credit, in private and public markets.

This Policy sets forth our general expectations on engagement practices. As a community of investment boutiques, individual portfolio managers make their own investment decisions with respect to how much emphasis to place on stewardship activities. Within this context, the Policy relates to how we monitor investee companies on relevant matters, such as:

a) Strategy
b) Financial and non-financial performance and risk
c) Capital structure
d) Social and environmental related issues and corporate governance

The Policy also describes how we conduct dialogues with investee companies and communicate with relevant stakeholders of investee companies.

ENGAGEMENT APPROACH

Dialogue with companies is at the heart of our engagement activity. We aim for engagement outcomes that ultimately benefit the financial outcomes of our clients. Engagement with investible companies generally commences prior to investment and during the due diligence process. This starting point helps prioritize issues for subsequent engagements post-investment and can inform investment decisions we make on behalf of our clients.

Each year, our portfolio managers and research analysts conduct regular, in-person or virtual company meetings around the world. Our career industry analysts across equity, fixed income, and ESG research provide knowledge of their industries and develop long-term relationships with management and board members. These insights are reinforced through our engagement work.

We focus on gaining differentiated insights, assessing and influencing the risks and opportunities facing an issuer, encouraging transparency improvements, and suggesting behavioral changes that we believe may improve the future profitability and resilience of a company. We prioritize engagement on material issues most likely to have a financial impact on companies. We seek to understand corporate strategy and share our views, if appropriate, on material topics relevant to our clients' financial interests. In some instances, we may also engage where required by regulation, for example to meet obligations around mitigating relevant sustainability related risks.

The extent to which issues are considered material to long-term company performance is dependent on the risk-return analysis of a portfolio management team. The "weight" or prominence of how issues may influence future investment decisions will differ based on the investment philosophy and process of a portfolio team regarding the topic, materiality, security type, jurisdiction and time horizon.

A portfolio team's engagement strategy may include input from and engagement with third parties, including proxy voting advisors, brokers, and third-party research and scientific groups. A portfolio team may also engage with other stakeholders, including business partners, employee representatives, suppliers, and non-governmental organizations. As an example, engagement dialogue on climate risk may leverage our research collaboration with the Woodwell Climate Research Center and the Massachusetts Institute of Technology.

When permissible under applicable laws and regulations and deemed in our clients' best financial interests, Wellington may engage with other asset management firms, academia, and industry organizations to share insights on relevant trends and local market considerations. Wellington may also collaborate with aligned investors through industry forums. These forms of collaboration can help enrich a portfolio team's understanding of risks that are financially material to investee companies and be an effective way to communicate concerns that are common across investors. [1]

Our policy is to vote our proxies in the best interests of our clients as shareholders and in a manner that we believe maximizes the long-term value of their holdings. For example, a vote against a director may help hold a company to account on a material topic, and portfolio manager support of a shareholder proposal can help achieve specific goals. We disclose a voting rationale on our website for votes against management. Further detail on proxy voting at Wellington can be found in our Global Proxy Policy and Procedures and our Global Proxy Voting Guidelines, which can be found on our website here.

To facilitate the engagement work of our investment teams, we have built a proprietary system for tracking our public-market engagement activity. Our engagement tracker is a shared tool that investment teams in public-market corporate and sovereign issuers across our firm can use to record and collaborate on engagement topics. Whilst not mandatory, investors are encouraged to use the tool.

Engagement in many cases does not generate immediate outcomes. In cases where we assess companies to be insufficiently responsive to concerns regarding a material financial issue, escalation of our efforts may be in order. We always consider whether such steps are appropriate and in the best financial interest of our clients. Escalation can entail voting action (including votes for shareholder proposals or votes against responsible board members) or writing formal letters to the Board of Directors or Management Team in collaboration with the ISC. As active investors we may also factor in the progress of our engagements in our investment decision in the usual course of assessing risk/benefits.

Wellington's Engagement Policy is reviewed and approved by Wellington's Investment Stewardship Committee (ISC). The ISC oversees and monitors Wellington's stewardship activities, including proxy voting and engagement practices.

CONFLICTS OF INTEREST

Annually, Wellington's ISC reviews and sets standards for identifying material conflicts with respect to proxy voting based on our client, vendor, and lender relationships. Additional details are located in our Stewardship Conflicts of interest policy, which can be found on our website here.

[1] We do not act in concert, or make any collective investment, voting, or other decisions or agreements with other shareholders, nor do we ask, encourage, or allow the industry forum itself or any of its shareholder members to represent our views or speak on our behalf.

Dated: October 2024

Last Reviewed: October 2024

Important Information

Wellington Management Company LLP (WMC) is an independently owned investment adviser registered with the US Securities and Exchange Commission (SEC). WMC is also registered with the US Commodity Futures Trading Commission (CFTC) as a commodity trading advisor (CTA) and serves as a CTA to certain clients including commodity pools operated by registered commodity pool operators. WMC provides commodity trading advice to all other clients in reliance on exemptions from CTA registration. WMC, along with its affiliates (collectively, Wellington Management), provides investment management and investment advisory services to institutions around the world. Wellington Management Group LLP (WMG), a Massachusetts limited liability partnership, serves as the ultimate parent holding company of the Wellington Management global organization. All of the partners are full-time professional members of Wellington Management. Located in Boston, Massachusetts, Wellington Management also has offices in Chicago, Illinois; New York, New York; Radnor, Pennsylvania; San Francisco, California; DIFC, Dubai; Frankfurt; Hong Kong; London; Luxembourg; Madrid; Milan; Shanghai; Singapore; Sydney; Tokyo; Toronto; and Zurich.

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This Policy is intended to address how Wellington Management meets the requirements of the European Union's Shareholder Rights Directive II (EU 2017/828, SRD II) , incorporated into United Kingdom Law in June 2019.